



HERMÈS

2018 REGISTRATION DOCUMENT

EXTRACTS FROM THE REGISTRATION DOCUMENT

The following page numbers are those of the 2018 Registration document

8.2 PURPOSE AND DRAFT RESOLUTIONS

Resolutions submitted for approval to the Combined General Meeting of 4 June 2019.

8.2.1 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.*;
- ◆ the parent company financial statements on pages 295 *et seq.*;
- ◆ the Statutory Auditors' reports on the parent company and consolidated financial statements on pages 321 and 289.

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 315.

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.: €480,340,824.60 ¹;
- ♦ 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.

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*).

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%.

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%.

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:

<i>In euros</i>	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

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.

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 396 to 398.

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.

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.

Elements of compensation	Amount or accounting valuation <i>In euros</i>	Presentation
Seventh resolution: Mr Axel Dumas		
Gross annual fixed compensation (or "additional" compensation in accordance with the Articles of Association)	From 1 January to 31 December 2018: €1,470,773	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. 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.
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.

n/a: not applicable.

Elements of compensation	Amount or accounting valuation <i>In euros</i>	Presentation
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	<p><i>With respect to Article 83:</i> No payment</p> <p><i>With respect to Article 39:</i> No payment</p>	<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>)). 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> <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>

Elements of compensation	Amount or accounting valuation <i>In euros</i>	Presentation
		<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		
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.		
Gross annual fixed compensation (or "additional" compensation in accordance with the Articles of Association)	From 1 January to 31 December 2018: €500,000	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 159, 163 and 156.

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 had served for 12 years of office on 24 January 2019. He has therefore have 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 mandate as a member of the Supervisory Board as of 20 March 2019 for personal reasons.

On the publication date of this Registration Document, the Board, in conjunction with the CAG-CSR Committee, is continuing its selection process that will enable it 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.

8.2.2 EXTRAORDINARY BUSINESS

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.

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 (issue with maintenance of preferential subscription rights)	40%		
17 th resolution (issue with elimination of preferential subscription rights)	40%		40%
18 th resolution (capital increase reserved for members of a company or group savings plan)	1%		
19 th resolution (issue by private placement)	20% per year		
20 th resolution (issue to compensate contributions in kind)	10%		
Debt securities		Maximum nominal amount	
16 th resolution (issue with maintenance of preferential subscription rights)	€1,000 million		
17 th resolution (issue with elimination of preferential subscription rights)	€1,000 million		€1,000 million
19 th resolution (issue by private placement)	€1,000 million		
20 th resolution (issue 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 issues 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 issue 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.

Capital increase with elimination 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.

Issues 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 issue 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.

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.

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 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 the Executive Management to decide on the issuance of shares and/or any securities giving access to 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 issue, 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 (issue of securities with maintenance of preferential subscription rights), seventeenth resolution (issue of securities with cancellation of preferential subscription rights), eighteenth resolution (capital increase reserved for members of a company or group savings plan), nineteenth resolution (issue of securities by private placement) and twentieth resolution (issue 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 (issue of securities with maintenance of preferential subscription rights), seventeenth resolution (issue of securities with cancellation of preferential subscription rights), eighteenth resolution (capital increase reserved for members of a company or group savings plan), nineteenth resolution (issue of securities by private placement) and twentieth resolution (issue 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 issue 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 issue 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 issue 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 issue 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 (issue of securities with maintenance of preferential subscription rights).

Seventeenth resolution:

Delegation of authority to the Executive Management to decide on the issuance of shares and/or any securities giving access to capital with cancellation of preferential subscription rights but with the option to introduce 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 issue, 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 issues 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 issue, 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 issue 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 eliminate 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 issue, 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 (issue 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 (issue 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 issue of shares, (i) the issue 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 stock market 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 issue 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 issue of these other securities, be at least equal to the minimum issue 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 issue 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 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,
 - in case of an issue 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 issue 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 issues 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 issue 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 issue 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 (issue of securities with cancellation of preferential subscription rights).

Eighteenth resolution:

Delegation of authority to the Executive Management to decide on a share capital increase by way of the issue of shares and/or securities giving access to 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 issue 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 (issue 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 issues 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 the Executive Management to decide on the issue of shares and/or any securities giving access to 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 issue, 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 issue, 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 issue 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 issue (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 (issue of securities with maintenance of preferential subscription rights) submitted to this meeting, or exceed 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; 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 issues carried out in accordance with this delegation is offset against the common limit mentioned in paragraph 6 of the sixteenth resolution (issue 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 issue of shares:
- i. the issue 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 stock market 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 issue 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 issue of these other securities, be at least equal to the minimum issue price defined in paragraph (i) above;
- 9) resolves that if the subscriptions have not absorbed the entirety of an issue of securities, the Executive Management may use any of the options below, in the order it chooses:
- limit the issue 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 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 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 issue performed under this delegation, and consequently amending the Articles of Association;
- 11) resolves that in case of an issue 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 issue 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 (issue of securities by private placement with cancellation of preferential subscription rights).

Twentieth resolution:

Delegation of authority to the Executive Management to decide on the issue of shares and/or any securities giving access to 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 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 issue 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 (issue 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;
- 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 issues carried out in accordance with this delegation is offset against the common limit mentioned in paragraph 6 of the sixteenth resolution (issue 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 issues 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 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 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 issue performed under this delegation, and consequently amending the Articles of Association;
- 7) resolves that the Executive Management may also allocate the issue 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 (issue of securities in order to compensate contributions in kind, with cancellation of preferential subscription rights).

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.