

## MEETING NOTICES

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### MEETINGS OF THE SHAREHOLDERS AND UNITHOLDERS

#### HERMES INTERNATIONAL

Partnership limited by shares with share capital of €53,840,400.12  
Registered office: 24, rue du Faubourg Saint-Honoré, 75008 Paris.  
Commercial and Company Register of Paris no. 572 076 396

#### Meeting notification

Dear Madam/Sir, the shareholders of the Hermès International Company are invited to attend the Combined General Meeting on Tuesday 3 June 2014 at 9.30 a.m. (reception as of 8.00 a.m.) at the Palais des Congrès, Grand Amphithéâtre, 2, avenue de la Porte-Maillot in Paris (17th arrondissement), in order to discuss the following agenda

#### Agenda

##### **I. - Ordinary business**

[1] Presentation of reports to be submitted to the Ordinary General Meeting

Executive Management's reports:

- on the financial statements for the year ended 31 December 2013 and on the Company's business operations for the period;
- on the management of the Group and on the consolidated financial statements for the year ended 31 December 2013;
- on resolutions relating to ordinary business.

Report from the Chairman of the Supervisory Board:

- on the corporate governance principles applied by the Company, on the composition of the Supervisory Board and on the application of the principle of gender parity within it, on the conditions for preparation and organisation of the Supervisory Board's work and on the internal control and risk management procedures instituted by the Company.

Supervisory Board's report

Statutory Auditors' reports:

- on the annual financial statements;
- on the consolidated financial statements;
- on related-party agreements and commitments;
- prepared in application of article L 226-10-1 of the Commercial code on the Report from the Chairman of the Supervisory Board.

[2] Vote on resolutions relating to ordinary business

First resolution - Approval of the parent company financial statements.

Second resolution - Approval of the consolidated financial statements.

Third resolution - Discharge of Executive Management

Fourth resolution - Appropriation of net income – Dividend distribution

Fifth resolution - Approval of related-party agreements and commitments.

Sixth resolution - Re-election of Mr. Éric de Seynes as Supervisory Board member for a term of three years.

Seventh resolution - Re-election of Mr. Renaud Momméja as Supervisory Board member for a term of three years.

Eighth resolution - Appointment of Mrs. Monique Cohen as a new Supervisory Board member for a term of three years as replacement for Mr. Maurice de Kervénoaël.

Ninth resolution - Supervisory board fees and remunerations

Tenth resolution - Approval of the commitments made to Mr. Axel Dumas regarding the cessation of his duties as Executive Chairman.

Eleventh resolution - Opinion on the compensation elements owed or allocated as of 5 June 2013 (date of his appointment as Executive Chairman) to 31 December 2013 to Mr. Axel Dumas.

Twelfth resolution - Opinion on the compensation elements owed or allocated in respect of the year ended 31 December 2013, to the company Émile Hermès SARL, Executive Chairman of the company.

Thirteenth resolution - Opinion on the compensation elements owed or allocated in respect of the year ended 31 December 2013 and from 1 to 31 January 2014 (date of the cessation of his duties as Executive Chairman), to Mr. Patrick Thomas.

Fourteenth resolution - Authorisation to the executive Management to trade in the Company's shares.

##### **II. - Extraordinary business**

[1] Presentation of reports to be submitted to the Extraordinary General Meeting

Executive Management's report:

- on resolutions relating to extraordinary business.

Supervisory Board's report

Statutory Auditors' report:

- on the capital reduction through the cancellation of purchased shares (thirteenth resolution);
- on the authorisation to allocate share purchase options (sixteenth resolution);
- on the allocation of existing free shares (nineteenth resolution).

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

[2] Vote on resolutions relating to extraordinary business

Fifteenth resolution - Authorisation to cancel some or all of the shares purchased by the Company (Article L 225-209 of the Commercial code) - General share cancellation programme

Sixteenth resolution - Authorisation to the Executive Management to grant share purchase options

Seventeenth resolution - Authorisation to the Executive Management to grant ordinary shares in the Company for no consideration

Eighteenth resolution - Modification of article 18 of the articles of incorporation for the purposes of determining the provisions for the appointment of Supervisory board members representing the employees in compliance with the provisions of the law of 14 June 2013 relative to the safeguarding of employment, and also to include an indication therein of the existence of rules of procedure.

Nineteenth resolution - Powers.

## Text of resolutions

### I. - Ordinary business

**First resolution (Approval of the parent company financial statements).** - The General Meeting, voting under the quorum and majority conditions applicable to ordinary general meetings, having heard the executive Management's report on the Company's operations and situation, the Supervisory Board's report and the Statutory Auditors' report for the year ended 31 December 2013, approves the financial statements, the balance sheet and the notes thereto as presented, as well as the transactions they reflect. The General Meeting duly notes that the expenses and charges covered by Article 39-4 of the General Tax Code amounted to €182,256 in 2013.

**Second resolution (Approval of the consolidated financial statements).** - The General Meeting, voting under the quorum and majority conditions applicable to ordinary general meetings, having heard the executive Management's report on the Group's operations and situation, the Supervisory Board's report and the Statutory Auditors' report for the year ended 31 December 2013, approves the consolidated financial statements as presented to it, as well as the transactions that they reflect.

**Third resolution (Discharge of executive Management).** - The General Meeting, voting under the quorum and majority conditions applicable to ordinary general meetings, gives the executive Management final discharge for its management during the year commencing on 1 January 2013 and ending on 31 December 2013.

**Fourth resolution (Appropriation of net income - Dividend Distribution).** - The General Meeting, voting under the quorum and majority conditions applicable to ordinary general meetings, notes that net income for the year amounted to €544,302,496.73 and retained earnings of €756,110,457.04, and having duly noted that the legal reserve has been reached in totality, approves the appropriation of these sums totalling €1,300,412,953.77 as distributable profits, as proposed by the Supervisory Board:

to the reserve for purchasing original works of art:	€84,158.00
to the Active Partner, pursuant to Article 26 of the articles of association:	€3,646,826.73
to shareholders, an "ordinary" dividend of €2.70 per share, totalling:	€85,037,412.40
to retained earnings, the balance of:	€1,011,444,556.64
total amount appropriated:	€1,300,412,953.77

The General Meeting resolves that the balance of the ordinary dividend for the financial year (a down payment of €1.50 per share having been paid on 28 March 2014), which amounts to €1.20 which will be detached from the shares on 5 June 2014 and be payable in cash on 10 June 2014 based on closing positions on the evening of 9 June 2014.

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. In accordance with Article 243 bis of the General Tax Code, it is stipulated that this dividend entitles shareholders who are natural persons and liable for income tax in France to a 40% tax allowance; this entire dividend will be taken into account ipso jure for the determination of their overall income subject to the income tax schedule, and will be eligible for the 40% allowance as provided by Article 158-3 of the General Tax Code.

It is further recalled that, in compliance with article 119 bis of the General Tax Code, the dividend distributed to shareholders not liable for income tax in France is subject to a withholding at the source, at a rate determined according to the country of the shareholder's address for tax purposes.

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 the shareholders in respect of the three previous financial years were as follows:

Financial year (in euros)	2012	2011	2010
Ordinary dividend	2.50	2.00	1.50
Exceptional dividend	-	5.00	-
Amount eligible for tax allowance pursuant to Article 158-3 of the GTC	40%	40%	40%

**Fifth resolution (Approval of related-party agreements and commitments).** - The General Meeting, voting under the quorum and majority conditions required for ordinary general meetings, having heard the Statutory Auditors' special report on related-party agreements and commitments covered by the combined provisions of Articles L 226-10 and Articles L 225-38 through L 225-43 of the Commercial code, approves the transactions entered into or performed during the financial year 2013.

**Sixth resolution (Re-election of Mr. Éric de Seynes as Supervisory Board member for a term of three years).** - On the recommendation of the Active Partner, the General Meeting, voting under the quorum and majority conditions applicable to ordinary general meetings, re-elects as a member of the Supervisory board

Mr. Éric de Seynes.

Pursuant to Article 18.2 of the articles of association, his term of office will expire at the end of the Annual General Meeting convened to vote on the financial statements for the year ended 31 December 2016.

Mr. Eric de Seynes has indicated that he is prepared to accept this appointment and that he is not legally prohibited from doing so in any manner whatsoever.

**Seventh resolution** (Re-election of Mr. Renaud Momméja as Supervisory Board member for a term of three years). - On the recommendation of the Active Partner, the General Meeting, voting under the quorum and majority conditions applicable to ordinary general meetings, re-elects as a member of the Supervisory board

Mr. Renaud Momméja.

Pursuant to Article 18.2 of the articles of association, his term of office will expire at the end of the Annual General Meeting convened to vote on the financial statements for the year ended 31 December 2016.

Mr. Renaud Momméja has indicated that he is prepared to accept this appointment and that he is not legally prohibited from doing so in any manner whatsoever.

**Eighth resolution** (Appointment of Mrs. Monique Cohen as a new Supervisory Board member for a term of three years as replacement for Mr. Maurice de Kervénoaël). - On the recommendation of the Active Partner, voting under the quorum and majority conditions applicable to ordinary general meetings, the Annual General Meeting elected as Supervisory Board member for the standard term of office of three years, replacing Mr. Maurice de Kervénoaël who is at the end of his term and who is not seeking a new term,

Mrs. Monique Cohen.

Her term of office will expire at the end of the Annual General Meeting convened to vote on the financial statements for the year ended 31 December 2016. Mrs. Monique Cohen has indicated that she is prepared to accept this appointment and that she is not legally prohibited from doing so in any manner whatsoever.

**Ninth resolution** (Supervisory board directors' fees and compensation). - The General Meeting, voting under the quorum and majority conditions applicable to ordinary general meetings, fixes the total directors' fees and compensation to be allocated to the members of the Supervisory Board and the members of committees created within it at €500,000 for each financial year beginning from 1 January 2014 until it is decided otherwise.

**Tenth resolution** (Approval of the commitments made to Mr. Axel Dumas regarding the cessation of his duties as Executive Chairman). - The General Meeting, voting under the quorum and majority conditions applicable to ordinary general meetings, having heard the Executive Management's report and the statutory auditors' special report on agreements falling under the combined provisions of articles L 226-10, L 225-38 to L 225-43 of the Commercial code, approves, in compliance with the provisions of article L 225-42-1 of the Commercial code, the aforesaid agreement described in the said report relating to the elements comprising the compensation, indemnities and benefits likely to be paid by the company to Mr. Axel Dumas in the event that his appointment as Executive Chairman is terminated, according to the terms set down by the Supervisory Board during its meeting on 4 June 2013.

**Eleventh resolution** (Opinion on the compensation elements owed or allocated as of 5 June 2013 (date of his appointment as Executive Chairman) to 31 December 2013 to Mr. Axel Dumas). - The General Meeting, consulted in application of the recommendation in § 24.3 of the AFEP/MEDEF corporate governance code of June 2013, that constitutes the company's reference code in application of article L 225-37 of the Commercial code, voting under the quorum and majority conditions applicable to ordinary general meetings, provides a favourable opinion on the compensation elements owed or allocated, in respect of the year ended 31 December 2013, as of 5 June 2013, date on which he assumed his functions as Executive Chairman, to Mr. Axel Dumas as presented in the description of the reasons for the proposed resolutions.

**Twelfth resolution** (Opinion on the compensation elements owed or allocated in respect of the year ended 31 December 2013, to the company Émile Hermès SARL). - The General Meeting, consulted in application of the recommendation in § 24.3 of the AFEP/MEDEF corporate governance code of June 2013, that constitutes the company's reference code in application of article L 225-37 of the Commercial code, voting under the quorum and majority conditions applicable to ordinary general meetings, provides a favourable opinion on the compensation elements owed or allocated, in respect of the year ended 31 December 2013, as of 5 June 2013, date on which it assumed its functions as Executive Chairman, to the company Émile Hermès SARL as presented in the description of the reasons for the proposed resolutions.

**Thirteenth resolution** (Opinion on the compensation elements owed or allocated in respect of the year ended 31 December 2013 and from 1 to 31 January 2014 (date of the cessation of his duties as Executive Chairman), to Mr. Patrick Thomas). - The General Meeting, consulted in application of the recommendation in § 24.3 of the AFEP/MEDEF corporate governance code of June 2013, that constitutes the company's reference code in application of article L 225-37 of the Commercial code, voting under the quorum and majority conditions applicable to ordinary general meetings, provides a favourable opinion on the compensation elements owed or allocated, in respect of the year ended 31 December 2013 and from 1 to 31 January 2014 (termination date of his functions as Executive Chairman), to Mr. Axel Dumas as presented in the description of the reasons for the proposed resolutions.

**Fourteenth resolution** (Authorisation 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:

- Authorises the executive Management, with the option further to delegate such authority, in accordance with the provisions of Articles L 225-209 et seq. of the Code de Commerce and European Commission Regulation 2273/2003 of 22 December 2003, to arrange for the Company to buy back its own shares, within the limitations stipulated by the applicable laws and regulations, subject to the following restrictions:

- the number of shares held by the Company during the term of the buyback programme shall not exceed 10% of the total number of shares in the Company, at any time; this percentage shall apply to share capital adjusted as a function of transactions that will affect it subsequent to this General Meeting; in accordance with the provisions of Article L 225-209 of the 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 the shares are purchased to provide liquidity under the conditions defined by the AMF General Regulation; and

- the Company shall not at any time own more than 10% of its own shares;

- resolves that the shares may be bought with a view to:

- ensuring that liquidity is provided for the shares on the equity market by an investment services provider acting entirely independently under a liquidity contract that complies with a code of conduct recognised by the AMF (Financial Markets Authority);

- cancelling the shares, in order to increase the return on equity and earnings per share, and/or to neutralize the dilutive impact of capital increases for shareholders, wherein such purpose is contingent upon adoption of a special resolution by the extraordinary General Meeting;

- retaining the shares, in order subsequently to transfer the shares in payment, in exchange or as other consideration for a takeover bid 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 partial merger shall not exceed 5% of the share capital;

- allotting the shares to employees and corporate executive officers of the Company or an affiliated company, under the terms and conditions stipulated by law, as part of share purchase option plans (in accordance with Articles L 225-179 et seq. of the Code de Commerce), or free share distributions (in accordance with Articles L 225-197-1 et seq. of the Code de Commerce), or as part of the Company's employee profit sharing schemes or of an employee share ownership or savings plan;

- delivering the shares for the exercise of rights attached to securities entitling the holders to the allotment of shares in the Company, by conversion, exercise, redemption, exchange or by any other means, in accordance with stock market regulations.

This programme would also be intended to enable the Company to trade in its own shares for all other purposes that are or may in the future be authorised by the applicable laws or regulations. In such case, the Company would inform its shareholders by publishing a special notice;

- resolves that, save for shares purchased in order to deliver them under share purchase plans for the Company's employees or corporate executive officers, that the purchase price per share shall be no higher than four hundred euros (€400), excluding incidental expenses;

- Resolves, however, that the executive Management may adjust the aforesaid purchase price in the event of a change in the par value per share; a capital

increase by capitalisation of reserves; a free share distribution; a stock split or reverse split; a write-off or reduction of the share capital; distribution of reserves or other assets; and any other transactions applying to shareholders' equity, to take into account the effect of such transactions on the value of the shares;

- resolves that the maximum amount of funds that may be committed to this share buyback programme shall be eight hundred million euros (€800,000,000);
- resolves that the shares may be purchased by any means, including partially or entirely by purchase on the stock market, block purchase, off-market purchase, public offerings to buy or exchange shares, or by the use of options or derivatives (in accordance with the then applicable laws and regulations and excluding the sale of puts), at such times as the executive Management shall deem appropriate, including times of public offerings, in compliance with stock market regulations. The shares acquired pursuant to this authorisation may be retained, sold, or, more generally, transferred by any means, including by block sales and during times of public offerings;
- Confers all powers on the executive Management for the purposes of this authorisation, with the option further to delegate such powers, and in particular:
  - to effect all transactions; 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 aforesaid transactions on the value of the shares;
  - 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 and any other relevant authority;
  - to undertake all necessary formalities;
- resolves that this authorisation is granted for a period of eighteen months from the date of this Meeting, and that it supersedes the authorisation granted under the eleventh resolution adopted by the Combined General Meeting of 4 June 2013 and cancels the unused portion of that authorisation.

## II. - Extraordinary business

**Fifteenth resolution** (*Authorisation to cancel some or all of the shares purchased by the Company (Article L 225-209 of the Commercial code) - General share cancellation programme*) - The General Meeting, voting under the quorum and majority requirements applicable to extraordinary general meetings, having reviewed the Management Report, the Supervisory Board's report and the Statutory Auditors' special report, and in accordance with Article L 225-209 of the Code de Commerce, hereby authorises the executive Management to reduce the share capital by cancelling some or all of the shares acquired by the Company in connection with the share buyback programme covered by the fourteenth resolution submitted to the present Meeting and/or pursuant to any authorisation granted by a past or future general meeting, on one or more occasions, up to a maximum of 10% of the share capital per period of twenty-four months.

The General Meeting delegates to the executive Management full powers for purposes of this authorisation, and in particular:

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

This authorisation is granted to the executive Management for a period of twenty-four months. It supersedes the authorisation granted under the thirteenth resolution adopted by the Combined General Meeting of 4 June 2013 and cancels the unused portion of that authorisation.

**Sixteenth resolution** (*Authorisation to the Executive Management to grant share purchase options*) - The General Meeting, acting under the quorum and majority requirements applicable to extraordinary general meetings, having reviewed the Management Report, the Statutory Auditors' special report and the Supervisory Board's report, resolves to authorise the executive Management, in accordance with Articles L 225-177 et seq. of the Code de Commerce, to allot, up to the limits set by the applicable legislation:

- on one or more occasions;

- to all or some employees and corporate executive officers of Hermès International and companies or groups affiliated therewith under the conditions covered by Article L 225-180 of the Code de Commerce, options to buy Hermès International shares that the Company has acquired under statutory conditions.

The executive Management may use this authorisation, at such time or times as it may deem appropriate, for a period of thirty-eight months as from the date of this meeting.

The total number of options that may be granted under this authorisation shall not be such that the total number of options granted pursuant to this resolution and the total number of free shares distributed pursuant to the seventeenth resolution would amount to more than 2% of the total number of ordinary shares in the Company, without consideration for those already allocated by virtue of the previous authorisations.

The options may be exercised by the beneficiaries within a maximum of seven years as from the option grant date.

The purchase price of the shares shall be set by the executive Management, within the limits and in accordance with the conditions stipulated in paragraph 4 of Articles L 225-177 and paragraph 2 of L 225-179 of the Code de Commerce; it shall be equal at least to the average quoted price of the shares on the stock exchange during the last twenty trading days preceding the option grant date, without being less than 80% of the average stock purchase price of the shares held by the Company as purchases carried out under the conditions provided for in articles L.225-208 and L.225-209 of the said Code.

The General Meeting grants the broadest of powers to the executive Management, acting within the limits set forth above, for purposes of this resolution, and in particular:

- to determine the terms and conditions of the transaction, in particular the conditions under which the options will be granted, the time or times at which the options may be allotted and exercised, the list of the beneficiaries of the options and the number of shares that each beneficiary may acquire;

- to determine the conditions for exercising the options;

- to stipulate any lock-up period for the shares resulting from the exercise of the options and/or period during which such shares cannot be converted to bearer shares, it being specified that such lock-up period shall not exceed three years from the option exercise date;

- to provide for the possibility of temporarily suspending the exercise of options for a maximum of three months in the event of a financial transaction entailing the exercise of a right attached to the shares.

In the event that free shares are granted to one or more executive Chairmen:

- resolves that the executive Management shall ascertain that the Company fulfils one or more of the conditions stipulated in Article L 225-186-1 of the Code de Commerce, and shall take every necessary measure in this respect;

- resolves that the Supervisory Board shall ensure that the relevant executive Chairman or Chairmen may not exercise their options until after they have left office, or that it shall set a number of shares resulting from the exercise of options they must hold in registered form until after they have left office;

- resolves that, in accordance with the AFEP/ MEDEF Code of Corporate Governance of June 2013, as applied by the Company:

- the granted options shall be contingent upon meeting serious and demanding performance criteria over the course of several consecutive years, that will be defined at the time of the grant,

- the maximum percentage of options that can be granted to the Executive Chairmen under the present resolution will be 0.05%, with this cap being applied against 2% cap common to the delegations listed in the 16th and 17th resolutions.

If, during the period in which the options were granted, the Company undertakes one of the financial or securities transactions provided by law, in order to take into account the effect of any such transaction, the executive

Management shall adjust the number and price of the shares included in the options granted, each year, the executive Management shall report to the Ordinary General Meeting on the transactions carried out pursuant to this authority.

This authorisation supersedes the authorisation granted under the eighteenth resolution adopted by the Combined General Meeting of 4 June 2013 and cancels the unused portion of that authorisation.

**Seventeenth resolution** (*Authorisation to the Executive Management to grant ordinary shares in the Company for no consideration*) - The General Meeting, voting under the quorum and majority requirements applicable to extraordinary general meetings, having reviewed the Management Report, the Statutory Auditors' report and the Supervisory Board's report, and in accordance with the provisions of Article L 225-197-1 et seq. of the Code de Commerce:

- Authorises the executive Management to grant bonus shares to some or all employees and/or corporate executive officers of the Company or in affiliated companies or groups under the conditions set out in Article L 225-197-2 of the Code de Commerce, by allotting existing ordinary shares of the Company for

no consideration. The existing shares that may be distributed pursuant to this resolution must have been purchased by the Company either in accordance with Article L 225-208 of the Code de Commerce, or as part of the share buyback programme authorised by the fourteenth resolution submitted to this Meeting under the terms of Article L 225-209 of the Code de Commerce or any share buyback programme applicable previously or in the future;

- resolves that the executive Management shall determine the identity of the beneficiaries or the categories of beneficiaries of the free shares as well as the conditions and any criteria applying to distribution of the shares;
- resolves that the executive Management shall determine the dates on which the free shares will be distributed, within the conditions and limitations stipulated by law;
- resolves that the total number of ordinary shares distributed for no consideration under the terms of this authorisation shall not be such that the total number of free shares distributed pursuant to this resolution, and the total number of share purchase options granted by virtue of the sixteenth resolution and not yet exercised, amounts to more than 2% of the total number of ordinary shares in the Company as of the free share allotment date, not including those already conferred under authorisations granted by previous General Meetings;
- resolves that the executive Management shall determine, for each allotment, the vesting period at the end of which the ordinary shares shall be fully vested, wherein this period shall not be less than two years, unless new provisions of the law reducing the minimum vesting period were to be enacted, in which case the executive Management would be authorised to reduce the said vesting period; however, in the event of the beneficiary's death, his or her heirs may request that the shares be distributed within six months after the date of death; furthermore, the shares will be distributed before the end of the vesting period in the event that the beneficiary becomes disabled, providing that such disability is a Category 2 or Category 3 disability as defined by Article L 341-4 of the Social Security code;
- resolves that at the time of each distribution, the executive Management shall fix the period during which the beneficiaries must hold the shares, wherein this holding period shall not be less than two years from the date on which the shares are fully vested, and that the executive Management may waive the said holding period providing that the vesting period indicated in the preceding paragraph is at least four years; however, the shares shall be freely assignable in the event of the beneficiary's death, or should the beneficiary become disabled, providing that such disability is a Category 2 or Category 3 disability as defined by Article L 341-4 of the Social Security Code;
- Authorises the executive Management to determine any applicable conditions and criteria for distribution of the shares, including but not limited to the number of years of service, conditions with respect to maintaining employment or the term of office during the vesting period, and any other financial condition or condition relating to individual or collective performance;
- Authorises the executive Management to record the free shares allotted in a registered account in the name of their owner, showing any lock-up period over the full duration of such period;
- Authorises the executive Management to undertake, during the vesting period of the free shares, any adjustments needed to take into consideration the effect of transactions affecting the Company's share capital and, more specifically, to determine the conditions under which the number of ordinary shares granted will be adjusted;
- more generally, grants the broadest of powers to the executive Management, with the option further to delegate such powers as provided by law, to enter into all agreements, to draw up all documents, to carry out all formalities, and to undertake all filings with all relevant organisations, and, in general, to do all that is necessary. The period during which the executive Management may use this authorisation, on one or more occasions, is thirty-eight months from the date of this meeting.

In the event that free shares are granted to one or more executive Chairmen:

- resolves that the executive Management shall ascertain that the Company fulfils one or more of the conditions stipulated in Article L 225-197-6 of the Code de Commerce, and shall take every necessary measure in this respect;
  - resolves that the Supervisory Board shall ascertain that the relevant executive Chairman or Chairmen shall not sell the shares distributed until after they have left office, or shall set a number of such shares that they must retain in registered form until after they have left office;
  - resolves that, in accordance with the AFEP/ MEDEF Code of Corporate Governance of June 2013, as applied by the Company:
  - the granted free shares shall be contingent upon meeting serious and demanding performance criteria over the course of several consecutive years, that will be defined at the time of the grant,
  - the maximum percentage of free shares that can be allocated to the Executive Chairmen under the present resolution will be 0.05%, with this cap being applied against 2% cap common to the delegations listed in the 16th and 17th resolutions.
- Each year, the executive Management will report to the General Meeting on the number of shares distributed pursuant to this resolution under the conditions provided by law, and more particularly, by Article L 225-197-4 of the Code de Commerce. This authorisation supersedes the authorisation granted under the nineteenth resolution adopted by the Combined General Meeting of 4 June 2013 and cancels the unused portion of that authorisation.

***Eighteenth resolution*** (Modification of article 18 of the articles of incorporation for the purposes of determining the provisions for the appointment of Supervisory board members representing the employees in compliance with the provisions of the law of 14 June 2013 relative to the safeguarding of employment, and also to include an indication therein of the existence of rules of procedure). - The General Meeting, voting under the quorum and majority requirements applicable to extraordinary general meetings, and having heard the Management Report and the Supervisory Board's report, decides to temporarily amend Article 18 of the articles of association in the following way:

*"18 - Supervisory board"*

- Paragraph 18.1 is now drafted as follows:

*"18.1 - The Company is governed by a Supervisory Board consisting of three to fifteen members (not including the members representing the employees appointed pursuant to the conditions of article 18.6 below), selected from amongst shareholders who are not Active Partners, legal representatives of an Active Partner, or executive Chairmen."*

- The following two paragraphs are added, as drafted below:

*"18.6 - When the provisions of article L 225-79-2 of the Commercial code are applicable to the company, a natural person member representing the Group's employees must be assigned. When the Supervisory Board consists of 13 members and more (not including the employee representatives), a second natural person member representing the Group's employees must be appointed. The number of Supervisory Board members taken into account when determining the number of Supervisory Board members representing the employees is assessed on the date of the appointment of the employee representatives to the Board. Neither the Supervisory Board members elected by the employees under article L 225-27 of the Commercial code, nor the employee shareholder Supervisory Board members appointed in accordance with article L 225-23 of the Commercial code are therefore taken into account.*

*Like the other Supervisory Board members, the term of the Supervisory Board members representing the employees will be as indicated in article 18.2 of the present articles of association.*

*A reduction to twelve or fewer than twelve Supervisory Board members will have no effect on the term of all Supervisory Board members representing the employees, that will come to an end upon its normal expiry.*

*The Supervisory Board members representing the employees are appointed by the company's group committee. The Supervisory Board members representing the employees must, at least two years beforehand, have signed an employment contract with the company or one of its direct or indirect subsidiaries having its registered office in France or abroad. Notwithstanding the rule contained in article 18.1 of the present articles of association, the Supervisory Board members representing the Group's employees are not required to be shareholders.*

*18.7 - Every Supervisory Board member must comply with the Supervisory Board rules of procedure."*

***Nineteenth resolution*** (Powers). - The General Meeting confers full powers on any bearer of an extract or copy of these minutes recording its deliberations to carry out all legal publication or other formalities.

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Every shareholder or shareholder's representative has the right to attend the meeting and to take part in the discussions, irrespective of the number of this person's shares. However, to be allowed to attend this meeting, to be represented or to vote by post, shareholders must first have proven their capacity by the recording for accounting purposes of their shares in their names (or that of the intermediate listed on their behalf if their residence is not within France) by midnight (00:00), Paris time, on the third business day prior to the General Meeting, i.e. Thursday 29 May 2014 at midnight (00:00):

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

Shareholders can choose from one of the three following formulas in order to participate in the General Meeting:

- personally attending the meeting;
- by post: voting or being represented by providing a proxy to the meeting Chairman or to an agent;
- By Internet: voting or being represented by providing a proxy to the meeting Chairman or to an agent;

#### **If you wish to attend the Hermès International General Meeting**

To facilitate access of the shareholders to the General Meeting, they are asked to obtain, prior to the meeting, an admission card that they will receive by mail or that they can download, by proceeding in the following manner:

- if they have not selected e-invitations, registered shareholders automatically receive the participation form by mail, together with the meeting notice, that is to be filled out and returned using the postage paid return envelope. Every registered shareholder can also now obtain an admission card online. A shareholder wishing to do so simply visits the GISPROXY site, and uses the access code as explained in the paragraph "Vote by Internet" below.
- a bearer shareholder must obtain, from his/her financial intermediary, a certificate that establishes his/her capacity as shareholder on the application date. The intermediary will then look after sending this certificate to BNP Paribas Securities Services, that will provide the shareholder with an admission card.

If the shareholder has not received an admission card by the third business day prior to the General Meeting, it will be necessary to request a participation certificate from the account-keeping institution for bearer shareholders, while registered shareholders can simply present themselves at the General Meeting.

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

#### **If you cannot attend the Hermès International General Meeting**

A shareholder unable to attend the General Meeting can participate therein by post or Internet, either by voting or by granting a proxy to the meeting Chairman, or to any other person selected for this purpose.

#### **Vote or proxy by post (with the paper form)**

For registered shareholders, the participation form that is to be filled out is automatically enclosed with the meeting notice.

For bearer shareholders, requests must be submitted to the account-keeping institution that looks after submitting the participation form together with a participation certificate, to BNP Paribas Securities Services. In order to be processed, the request for a participation form must be received on Wednesday 28 May 2014 at the latest. To be taken into account, this duly completed form will then have to reach BNP Paribas Securities Services by midnight (00:00), Paris time, on Friday 30 May 2014.

In compliance with the provisions of Commercial code article R.225-79, the notification of the appointment and dismissal of an agent can firstly be made by postal mail in the same form as the one required for the appointment, and must be communicated to the General Meeting service of BNP Paribas Securities Services.

#### **Vote or proxy by Internet:**

Shareholders now have the option of voting by Internet prior to the General Meeting, via a dedicated secure site, under the following conditions:

##### *Registered shareholders:*

Direct registered shareholders wishing to vote by Internet before the meeting will have to connect to the address of the Internet site indicated below, using the log-in number and password that have been provided to them.

Administered registered shareholders can request a password by mail by contacting the GISPROXY site and using the log-in located in the upper right of the participation form sent with the meeting notice.

##### *Bearer shareholders:*

Bearer shareholders wishing to vote by Internet before the meeting must contact their account-keeping institution in order to request a participation certificate, while also providing their e-mail address. The account-keeping institution will send the participation certificate and the e-mail address to BNP Paribas Securities Services, the manager of the Internet-based voting site. BNP Paribas Securities Services will use this e-mail address to provide the shareholder with a log-in and password that can then be used to connect to the site at the address given below.

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

The dedicated secure site for voting prior to the meeting will be accessible as of 13 May 2014. The possibilities for voting by Internet before the meeting will be interrupted at 3pm (Paris time) on the day before the meeting, i.e. Monday 2 June 2014.

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

Address of the dedicated secure site: "<https://gisproxy.bnpparibas.com/hermesinternational.pg>"

It is stipulated that:

Any shareholder who has already voted, requested an admission card or a participation certificate (Commercial code article R.225-85):

- can no longer choose a different participation means;
- can sell all or some of his/her shares.

However, if the sale occurs before midnight (00:00), Paris time, on Thursday 29 May 2014, the Company invalidates or accordingly modifies, as relevant, the vote submitted remotely, the proxy, the admission card or the participation certificate. For this purpose, the authorised account-holding intermediary informs the Company or its agent of the sale, while providing all necessary information. No sale or operation carried out after midnight (00:00), Paris time, on Thursday 29 May 2014, irrespective of the means employed, will be indicated by the authorised intermediary or taken into account by the Company,

notwithstanding any contrary agreement.

Shareholders can now provide a proxy by Internet, according to the following provisions:

*Direct registered shareholders:*

- shareholders can submit their request on Planetshares, under the heading My Shares, by connecting using their usual log-in details and going to the page "My shareholder space - My general meetings" and then clicking on the button "Appointing or dismissing a proxy".

*Bearer or administered registered shareholders:*

- shareholders must send an e-mail to the address [paris.bp2s.france.cts.mandats@bnpparibas.com](mailto:paris.bp2s.france.cts.mandats@bnpparibas.com). This e-mail must necessarily contain the following information: Company name and meeting date, surname, first name, address, bank references of the principal as well as the surname, first name and if possible address of the agent,

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

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

In order for the proxy appointments or dismissals conveyed by e-mail to be validly taken into account, the confirmations will have to be received at the latest by 3pm (Paris time) on the day before the meeting. The proxy appointments or dismissals conveyed on paper will have to be received at the latest 3 calendar days before the meeting date.

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Requests for points and/or draft resolutions to be added to the agenda submitted by shareholders who meet the conditions listed in Commercial code article R.225-71 must be sent to the administrative head office (mailing address: Hermès International, Legal Department, Corporate and Market Law Service, [...] and 24, rue du Faubourg Saint-Honoré, 75008 Paris), by recorded delivery letter twenty days before the present publication, i.e. at the latest by 7 May 2014. Requests must be accompanied by a certificate confirming the shareholder's capacity. With regard to bearer shareholders, it is recalled that the inclusion of points and/or draft resolutions is subject to the transmission, by the authors of the request, of a new certificate that proves the recording for accounting purposes of the shares in the same accounts on Thursday 29 May 2014 at midnight (00:00), Paris time.

In accordance with Commercial code article R.225-84, a shareholder wishing to ask written questions can submit the said questions to the Management by recorded delivery letter sent to the Company's head office, until the fourth business day prior to the meeting, i.e. until midnight (00:00), Paris time, on Tuesday 27 May 2014. For bearer shareholders, these questions must be accompanied by a certificate of shareholder account registration.

The documents that must be made available to the shareholders as part of this General Meeting will be available at the Company's administrative head office (Physical address: Hermès International, Legal Department, Corporate and Market Law Service, and 20, rue de la Ville l'Evêque, 75008 Paris), and will be available for consultation on the site <http://finance.hermes.com/> as of 13 May 2014, under the conditions established by the applicable legal and regulatory provisions.

*Executive Management.*

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