

Agenda

General Meeting

Aalberts Industries N.V.

Wednesday 18 April 2018
11:00 am (CEST)

Jaarbeurs Media Plaza
Auditorium
Croeselaan 6
3521 CA Utrecht
The Netherlands



Agenda

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Croeselaan 6
3521 CA Utrecht
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1. **Opening**
2. **Discussion of the annual report on the financial year 2017** (discussion)
3. **Financial statements 2017**
 - a. Implementation of the remuneration policy for the Management Board (discussion)
 - b. Adoption of the company and consolidated financial statements 2017 (vote)
4. **Dividend**
 - a. Discussion of the policy on additions to reserves and dividends (discussion)
 - b. Adoption of the dividend for the financial year 2017 (vote)
5. **Granting of discharge to the members of the Management Board in office in 2017 for the policy pursued in the financial year 2017** (vote)
6. **Granting of discharge to the members of the Supervisory Board in office in 2017 for the supervision exercised on the policy pursued in the financial year 2017** (vote)
7. **Update and modernisation of the corporate governance**
 - a. Discussion corporate governance (discussion)
 - b. Resolution to amend the articles of association of Aalberts Industries N.V. (vote)
8. **Reappointment of Mr. M.C.J. van Pernis as member of the Supervisory Board** (vote)
9. **Reappointment of Mr. O.N. Jäger as member of the Management Board** (vote)
10. **Appointment of Mr. H. Scheffers as independent board member of Stichting Prioriteit "Aalberts Industries N.V."** (vote)
11. **Designation of the Management Board as body authorised to issue ordinary shares and to grant rights to subscribe for ordinary shares** (vote)
12. **Designation of the Management Board as body authorised to restrict or exclude pre-emptive rights when issuing ordinary shares** (vote)
13. **Authorisation to repurchase shares** (vote)
14. **Reappointment Deloitte Accountants B.V. as external auditor for the financial year 2019** (vote)
15. **Announcements and any other business**
16. **Closing**

agenda item 2

Discussion of the annual report on the financial year 2017 (discussion)

The compliance with the Dutch Corporate Governance Code is part of the accountability on the annual report. The Dutch Corporate Governance Code will be discussed at agenda item 7a. In accordance with the Dutch Corporate Governance Code the external auditor will be present at the general meeting of shareholders (the “**General Meeting**”). The shareholders can address questions to the external auditor with regard to his statement on the accuracy of the financial statements.

agenda item 3

Financial statements 2017

- Implementation of the remuneration policy for the Management Board (discussion)
- Adoption of the company and consolidated financial statements 2017 (vote)

In accordance with the provisions of Section 2:135 paragraph 5a of the Dutch Civil Code (in Dutch: *Burgerlijk Wetboek*), the implementation of the remuneration policy during the financial year 2017 will be discussed and accounted for. Please refer to the specifications made by Aalberts Industries N.V. (“**Aalberts**”) in the notes to the financial statements (page 99), that are included pursuant to Section 2:383c up to and including 2:383e of the Dutch Civil Code.

agenda item 4

Dividend

- Discussion of the policy on additions to reserves and dividends (discussion)
- Adoption of the dividend for the financial year 2017 (vote)

Aalberts has the intention to continue the policy on additions to reserves and dividends of the financial year 2017 and to allocate approximately 70% of the net profit realised before amortisation for further growth and strengthening of the financial position and to distribute approximately 30% to shareholders by means of dividend entirely in cash.

The Management Board, after the prior approval of the Supervisory Board, in accordance with the policy on additions to reserves and dividends, has decided to reserve 70% of the net profit achieved before amortisation for further growth and strengthening of the financial position. The number of shares issued at the end of 2017 was approximately 110.6 million. It is proposed that the dividend for 2017 be set at EUR 0.65 in cash per share with a nominal value of EUR 0.25. This means that Aalberts continues its policy to pay approximately 30% of the realised net profit before amortisation as dividend. This represents an increase of 12% compared to 2016 (EUR 0.58).

agenda item 7

Update and modernisation of the corporate governance

- Discussion corporate governance (discussion)
- Amendment of the articles of association of Aalberts Industries N.V. (vote)

explanation

The Supervisory Board and the Management Board have conducted a review of Aalberts’ corporate governance, taking into consideration recent developments in Dutch law and the new Corporate Governance Code, which entered into force on 1 January 2017 (the “**Code**”). Based on this review, the Supervisory Board and the Management Board have changed certain practices and regulations in the course of 2017.

As a result, Aalberts complies with the relevant principles and best practices of the Code in 2017, except for the matters as reported in the corporate governance section of the annual report on the financial year 2017. Under this agenda item, Aalberts’ corporate governance will be discussed.

In this respect, the Supervisory Board and the Management Board have prepared a proposal for the General Meeting to amend the articles of association of Aalberts, which will modernise its corporate governance and bring it in line with Dutch law and the Code.

Proposed changes to Aalberts’ articles of association

The Management Board, with the approval of the Supervisory Board and Stichting Prioriteit “Aalberts Industries N.V.” (“**Prioriteit**”), proposes to amend the articles of association in conformity with a prepared draft deed of amendment of the articles of association and to authorise each member of the Management Board and each lawyer and paralegal working with De Brauw Blackstone Westbroek N.V. to execute the deed of amendment of the articles of association. An explanation to the proposed amendment is set out hereinafter.

The proposed amendment of the articles of association includes the following changes:

- new conflict of interest provisions for Supervisory Board and Management Board;
- introduction of provision on absence and inability to act of Supervisory Board members;
- appointment terms members of the Supervisory Board (4 years + 4 years + 2 years + 2 years);
- clarifications in respect of adoption/approval of remuneration policy and share plans by the General Meeting, and provision on setting the Supervisory Board remuneration by the General Meeting;

- clarification on when Supervisory Board approval is required;
- determination of the number of members of the Supervisory Board by the Supervisory Board;
- statutory requirement of approval from the General Meeting for amendment of the Supervisory Board Rules removed; and
- introduction indemnity clause Management Board and Supervisory Board.

A full overview of the proposed changes to the articles of association can be found in the triptych of the amendments to the articles of association in Dutch, with an unofficial English translation (available at the offices of Aalberts and on www.aalberts.com).

agenda item 8

Reappointment of Mr. M.C.J. van Pernis as member of the Supervisory Board

(vote)

Mr. M.C.J. (Martin) van Pernis retires by rotation effective per this General Meeting. Mr. Van Pernis was first appointed as member of the Supervisory Board in 2010, was elected as chairman of the Supervisory Board of Aalberts on 18 April 2017 and is member of the Supervisory Board’s Remuneration, Selection and Appointment Committee.

Prioriteit wishes to nominate Mr. Van Pernis for reappointment for a period that will end after the closing of the General Meeting to be held in 2020. Mr. Van Pernis has made an outstanding contribution during the past period and has long experience both as a director and a supervisory director of companies operating internationally. In view of his technical background and his positions with other technical companies, he also has knowledge of the products and the production methods of Aalberts. From his former directorships with VNO and FME-CWM, he also has acquired extensive knowledge in the branch of industry. The personal details of Mr. Van Pernis can be found below. Mr. Van Pernis is independent, as defined in the Code.

agenda item 9

Reappointment of Mr. O.N. Jäger as member of the Management Board (vote)

Prioriteit wishes to nominate Mr. O.N. (Oliver) Jäger for reappointment as Executive Director for a fixed term of 4 years with effect from 18 April 2018. Mr. Jäger, currently in position as Executive Director, has made an outstanding contribution during the past period. Mr. Jäger has particular responsibility for the Material Technology activities. The personal details of Mr. Jäger can be found below.

agenda item 10

Appointment of Mr H. Scheffers as independent board member of Stichting Prioriteit "Aalberts Industries N.V." (vote)

Prioriteit wishes to nominate Mr. H. (Henk) Scheffers for appointment as independent board member of Prioriteit, with effect from 18 April 2018. Mr. Scheffers is proposed in view of his extensive knowledge of Aalberts and its enterprise from his former position as member and chairman of the Supervisory Board. During the term of his appointment, Mr Scheffers qualified as an independent member of the Supervisory Board. On 18 April 2017, Mr. Scheffers' term as member and chairman of the Supervisory Board ended. Mr. Scheffers qualifies as an independent board member under the articles of Prioriteit. The 14-year period of Mr R.W.J. Groenink as independent board member of Prioriteit will end under the condition of appointment of Mr. Scheffers. See for more information about Prioriteit page 48 and 101 of the annual report on the financial year 2017. The personal details of Mr. Scheffers can be found below.

agenda item 11

Designation of the Management Board as body authorised to issue ordinary shares and to grant rights to subscribe for ordinary shares (vote)

It is proposed that the Management Board be designated as the body that, after approval of the Supervisory Board and Prioriteit, is authorised to issue ordinary shares, including the granting of rights to subscribe for ordinary shares. This authorisation has been granted until 18 October 2018 and will be extended until 18 October 2019. The authorisation and its extension are valid for a maximum of ten percent (10%) of the issued share capital at the time of issuing.

agenda item 12

Designation of the Management Board as body authorised to restrict or exclude pre-emptive rights when issuing shares (vote)

It is proposed that the Management Board be designated as the body that, after approval of Supervisory Board and Prioriteit, is authorised to restrict or exclude pre-emptive rights of existing shareholders in the case of issuing ordinary shares, including the granting of rights to subscribe for ordinary shares. This authorisation has been granted until 18 October 2018 and will be extended until 18 October 2019.

agenda item 13

Authorisation to purchase shares (vote)

In accordance with the articles of association, it is proposed that the Management Board, on behalf of Aalberts, be authorised to purchase Aalberts' own ordinary shares up to a maximum of ten percent (10%) of the issued share capital, other than for no consideration, after approval of the Supervisory Board and Prioriteit. This authorisation has been granted until 18 October 2018 and will be extended until 18 October 2019. Pursuant to the authorisation, Aalberts will be able to acquire ordinary shares via any agreement, including stock market and private transactions, for a price not exceeding 110% of the average price at which the shares are traded on the market during the five trading days prior to the day of acquisition according to the Euronext Amsterdam Official Pricelist (Euronext Amsterdam Officiële Prijs-courant).

agenda item 14

Reappointment Deloitte Accountants B.V. as external auditor for the financial year 2019 (vote)

It is proposed to reappoint Deloitte Accountants B.V. as external auditor of the annual accounts of the next financial year 2019.

The Supervisory Board has assessed the relationship with the external auditor as part of its consideration of the annual report of the financial year 2017, based on a report from the Management Board and the evaluation and recommendation of the Audit Committee. The Audit Committee has stated in its recommendation that it is free from influence by a third party and that no clause of a contract as referred to in article 16(6) of the EU regulation no 537/2014 restricts the resolution of the General Meeting. Based on this assessment, it is proposed to the General Meeting to reappoint Deloitte Accountants B.V. as external auditor responsible for auditing of the annual accounts of the next financial year 2019.

registration date

Persons registered in one of the registers designated for this purpose by the Supervisory Board and Management Board as shareholders of Aalberts Industries N.V. on 21 March 2018, after close of trading and processing of all settlements (the "Record Date"), and who are registered in the manner described below, are entitled to vote and attend the meeting. For holders of shares that are traded via the giro-based securities transfer system, the administration of the intermediaries (the "Intermediary") as defined in the Dutch Securities Giro Act (*Wet giraal effectenverkeer*) are designated as register.

Shareholders who wish to attend the meeting are required to notify ABN AMRO Bank N.V. through their Intermediary. Notification via the Intermediary can take place with effect from 22 March 2018, but no later than 17:00 hours (CEST) on 11 April 2018. Shareholders can also register themselves via www.abnamro.com/evoting. In all circumstances, the Intermediary will need to issue a statement to ABN AMRO Bank N.V. via www.abnamro.com/intermediary, no later than 11:00 hours (CEST) on 12 April 2018, stating that the shares were registered in the name of the holder thereof on the Record Date whereupon the holder will receive a proof of registration which will also serve as an admission ticket for the meeting. In addition, the Intermediaries are requested to include the full address details of the relevant ultimate beneficial holders in order to be able to verify the shareholding on the Record Date in an efficient manner.

Shareholders can also grant a proxy and issue their voting instruction online until 11 April 2018 before 17:00 hours (CEST) via www.abnamro.com/evoting.

The agenda with explanatory notes, the annual report and financial statements for 2017, a triptych of the amendments to the articles of association and the information regarding the persons to be appointed, are available for inspection at the offices of Aalberts and are available on request free of charge from Aalberts (info@aalberts.com), as well as from:

ABN AMRO Bank N.V.
Department Corporate Broking HQ7050
Gustav Mahlerlaan 10
P.O. Box 283 (HQ7050)
1000 EA AMSTERDAM
THE NETHERLANDS
+31 (0)20 344 2000
corporate.broking@nl.abnamro.com

These documents are also available on the internet at www.aalberts.com and www.abnamro.com/evoting.

personal details of the person nominated for reappointment as supervisory board member

reappointment

Mr. **M.C.J. (Martin) van Pernis** (1945)

Current function

Chairman of the Supervisory Board of Aalberts Industries N.V. and member of the Remuneration, Selection and Appointment Committee (since 2017, member of the Supervisory Board since 2010)

Relevant previous functions

- President of Siemens Group in the Netherlands
- Chairman of the Management Board of Siemens Nederland N.V.

Current relevant (additional) functions

- Chairman Supervisory Board Batenburg Techniek N.V.
- Vice chairman Supervisory Board and Chairman NSR Committee ASM International
- Chairman Supervisory Board CM Payments Breda
- Member Advisory Board G4S Netherlands
- Chairman Supervisory Board Sacon B.V.
- Chairman Habitat for Humanity The Netherlands
- Chairman Supervisory Board Rotterdams Philharmonisch Orkest

Nationality

Nederlandse

Reason appointment

- Broad management experience in various multinationals
- Broad operational experience
- Knowledge of technology
- Good fit with Profile Supervisory Board

Number of shares held in the capital of Aalberts Industries N.V.

0

personal details of the person nominated for reappointment as management board member

reappointment

Mr. **O.N. (Oliver) Jäger** (1967)

Current function

Executive Director at Aalberts Industries N.V., since 2014 responsible for Material Technology activities

Relevant previous functions

- Group director of Aalberts Industries Material Technology (2009-2014)
- Independent turnaround manager (2007-2008)
- CEO of B.U.S. Berzelius Umwelt-Service AG (2003-2007)
- M&A manager of B.U.S. Berzelius Umwelt-Service AG (2000-2003)
- Controller of B.U.S. Berzelius Umwelt-Service AG (1998-2000)
- Plant Manager of Heidelberger Cement (1995-1998)

Education

Master study in Process Engineering at the University of Karlsruhe, Germany

Additional functions

None

Nationality

German

Number of shares held in the capital of Aalberts Industries N.V.

12.057

An engagement contract will be entered into with Mr O.N. Jäger for a definite period starting on 18 April 2018 and ending on 18 April 2022. With effect from 1 January 2018, Mr O.N. Jäger will receive an annual salary of EUR 490,000. He will also be eligible for a variable remuneration with achieving predetermined targets, which include earnings per share before amortisation, Free Cash Flow, organic revenue growth and individual (non-financial) performance criteria. The Supervisory Board sets these targets at the beginning of each financial year. The variable remuneration package is to an important extent based on performance and, if the targets are achieved, can add a maximum of 75% to the basic salary. The number of conditional performance shares (Performance Share Plan 2015 to 2017), granted in 2015 amounted to 15,000 shares. The number of conditional performance shares (Performance Share Plan 2017 to 2019), granted in 2017 amounted to 15,000 shares. For more information about the conditional granting of shares to Management Board members and group directors, please refer to page 80 of the annual report 2017.

personal details of the person nominated for appointment as independent board member of prioriteit

Mr. **H. (Henk) Scheffers** (1948)

Relevant previous functions

Chairman of the Supervisory Board of Aalberts Industries N.V. (until 2017)

Current relevant (additional) functions

- Vice-Chairman Supervisory Board Flint Holding N.V.
- Chairman of the Supervisory Board of the Dutch Association for Protection of Birds

Nationality

Dutch

Reason appointment

- Extensive knowledge of Aalberts and its enterprise
- Qualifies as independent under the articles of association of Prioriteit
- Registered auditor
- Former member and chairman of various stock listed companies

Number of shares held in the capital of Aalberts Industries N.V.

0

Aalberts Industries N.V.

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