

MINUTES
of the Annual General Meeting of Shareholders
of AMG Advanced Metallurgical Group N.V. (the 'Company')
held on Wednesday May 4, 2016
World Trade Centre (WTC), Amsterdam, The Netherlands

1. Opening

Mr. Norbert Quinkert, Chairman of the Supervisory Board opens the Annual General Meeting of shareholders of Advanced Metallurgical Group N.V. (AMG) and extends a warm welcome to all present.

He introduces the members of the Management Board; Dr. Heinz Schimmelbusch, Chairman of the Management Board and CEO and Mr. Eric Jackson, Chief Operating Officer (COO).

He also introduces the members of the Supervisory Board; Mr. Jack Messman, Vice Chairman of the Supervisory Board and Chair of the Remuneration Committee, Mr. Martin Hoyos, Chair of the Audit Committee, Professor Steve Hanke, member of the Risk Management Committee, Mr. Herb Depp, member of the Remuneration Committee, Mrs. Donatella Ceccarelli, member of the Selection and Appointment Committee, Mr. Robert Meuter, member of the Audit Committee, and Mr. Petteri Soininen, member of the Remuneration Committee.

Also attending this meeting is Mr. Jackson Dunckel. As can be read in the agenda for this meeting, the Supervisory Board proposes to appoint Mr. Jackson Dunckel, who was appointed as the Chief Financial Officer of AMG as of February 1, 2016 as a member of the Supervisory Board during this meeting.

Also present is Mr. Ludo Mees, AMG's General Counsel, who will act as secretary of the meeting.

The Chairman welcomes to the meeting AMG's Dutch Legal Advisors, Professor Martin van Offfen, Paula Ravensbergen of the law firm De Brauw Blackstone Westbroek, as well as AMG's current external auditor, Mr. Frentz of the accounting firm Ernst & Young Accountants. Mr. Frentz may be questioned on his auditor's report and his audit activities regarding the Company's 2015 Financial Statements.

The Chairman also welcomes Ms. Kirsten van Rooijen of Computershare and Mr. René Clumpkens from Zuidbroek Notarissen to the meeting. Ms. Van Rooijen will take care of the technicalities in relation to the voting procedure. The attendees will have noted that a new registration procedure as well as a new system of voting is used for today's meeting. Mr. Clumpkens will vote on behalf of shareholders who have indicated that they want to be represented at this meeting and have not appointed their own representative.

Following each vote, Ms. Van Rooijen will inform the meeting of how many votes have been cast in favour of or against a proposal and how many votes have abstained from voting. After that the Chairman will inform the meeting whether or not a specific voting item has been adopted.

The Chairman informs the shareholders that the proceedings of this meeting will be recorded, for internal purposes only and used to facilitate the preparation of the minutes. The official language of the meeting is English.

The Chairman will inform the meeting of the number of shares represented at this meeting, as well as the percentage that these shares represent in relation to the entire issued share capital of AMG, once Ms. Van Rooijen has compiled that information.

The Chairman confirms that in accordance with the attendance list, 14,932,739 shares are present or are represented at this meeting. These shares represent 52.85% of the Company's issued share capital.

In connection with the orderly conduct of the meeting, the Chairman informs the shareholders that for each specific agenda item, only questions related to such an item may be asked. The Chairman asks

shareholders to use the microphone when asking a question and to state their name as well as the name of the person or entity that they represent.

Voting procedure

The Chairman explains that the Company has reviewed the possibility of using an electronic voting system for today's meeting and decided to use it. This decision was made last year to increase the attendance and voting at AMG's shareholder meetings and the Company wishes to further facilitate the voting procedure during this meeting.

In light of the procedure for registration for today's meeting and granting powers of attorney the Company has decided to start offering the facilities of the EVO platform administered by ING Bank as was mentioned in the convocation letter. Electronic voting takes place by using the keypad the attendees received at the registration desk.

Before each vote, the text of the proposal that is put to a vote will be shown on the screen behind the Board members. After each voting item Ms. Van Rooijen will provide the meeting with information as to how many votes have been cast in favour of the proposal, how many votes have been cast against the proposal and how many votes have abstained from voting. For the first resolution Ms. Van Rooijen will give further instructions.

The Chairman asks if there are any questions regarding the voting procedure at this meeting. As this is not the case, the Chairman proceeds to agenda items 2a, 2b and 2c.

2.a. Report of the Management Board for the 2015 Financial Year Including Discussion of the Annual Report 2015

The Chairman passes the floor to Dr. Schimmelbusch to present AMG's strategy and activities in 2015 and the current state of affairs of the Company. Thereafter Mr. Dunkel will provide a summary of the Company's financial affairs.

On behalf of the Management Board, Dr. Schimmelbusch welcomes those present at the Annual General Meeting of shareholders 2015 in Amsterdam. Dr. Schimmelbusch explains that Mr. Jackson Dunkel, AMG's new CFO, will give the meeting the financial overview for the 2015 year.

Dr. Schimmelbusch will comment on the critical materials markets, on strategic developments, on AMG's efforts to further improve the safety of AMG's operations and other topics within the comprehensive approach which AMG has chosen in order to improve AMG's contributions to a sustainable environment on a global scale.

Dr. Schimmelbusch states with pleasure that today 52.85% of the Company's shareholders are represented at this meeting, which is a substantial increase from last year when the attendance was 41%, and the prior year when it was only 35%.

Critical Material Price Trends

AMG's critical materials product portfolio (Sb, Cr, V, Si, C, Ta, Nb, Sn, Ti, Mo) largely overlaps with the EU definition of criticality and the un-weighted price index of this portfolio shows a ten year compound annual growth rate of 2.7% against a negative 3.5% rate for the LME non-ferrous metal portfolio (Cu, Al, Zn, Pb, Ni, Sn).

Critical material prices: 10-year Perspective

Dr. Schimmelbusch illustrates another way of looking at this by pointing to a chart showing the highest and the lowest prices of each material over the last ten years. A glance at this chart illustrates vividly the headwinds AMG has had to deal with in the last twelve months. Almost all material prices are now clustering in the lowest quartile. There are some signs that might indicate the end of the multi-year relentless downward movement in prices. In recent weeks prices for vanadium, molybdenum, and nickel have somewhat recovered, albeit from an extremely low level. That might also be true for antimony. Silicon metal and graphite continue to be depressed. In general, it is too early to predict a bottoming out of the drama.

Strategy and Growth

Looking back, Dr. Schimmelbusch notes that in 2012, in response to the downturn in AMG's markets, AMG started a major cost cutting drive, beginning from the top. Ten years ago AMG started with a Management Board consisting of five members, now it consists of three members: a CEO, a COO, and a CFO. Corporate staff remains unchanged at 24 staff members, a small number for a company this size with global operations. Throughout AMG, the Management Board continuously runs a large number of cost cutting projects monitored by both the COO and the CFO. That is an ongoing effort, and the Management Board addresses it internally as 'ground zero'. The Management Board initiated a comprehensive effort to de-leverage the company through, firstly: margin and risk management with an emphasis on a strict pricing and payment condition discipline, which is critical wherever AMG is a converter, especially in a downturn; secondly: an improved product mix and de-emphasizing low margin products; thirdly: CAPEX reduction to avoid 'convenience' projects; the only projects which have an easy ride in AMG's authorization chain are the ones related to safety.

Working Capital Days

Fourthly, Dr. Schimmelbusch points to reducing working capital, which is measured by working capital days. This multiyear program, consisting of five points, was hugely successful and is ongoing. The Company has reduced its debt level by roughly \$200 million net debt. Today AMG's net debt level oscillates around zero. Therefore, AMG can now shift focus to growth initiatives. Compared to AMG's peers, AMG is a distinct leader in generating free cash flow.

Strategy

Dr. Schimmelbusch states that across the portfolio, the Management Board has analysed opportunities for growth and is in the process of carefully setting priorities, as AMG's growth opportunities exceed its financing capacity. AMG's target is to roughly double AMG's size in five years, measured by operating cash flow, and achieve an improved level of ROCE. Dr. Schimmelbusch states that size matters, in equity markets, in debt markets, and in the funding of innovations.

Process Innovation – Critical Materials

Dr. Schimmelbusch remarks that he has said many times that AMG's biggest customers are the aerospace engines as they use super alloys, titanium alloys and turbine blade coatings. AMG grows organically through AMG's expanding product portfolio servicing the aerospace industry with new light weight alloys produced in new vacuum furnace systems. AMG is the world's leading supplier of a new family of alloys, the so-called titanium aluminides. AMG also grows in the automotive industry with heat treatment technologies and service offerings especially for engine parts in the new, smaller, high efficiency engines. In graphite, AMG grows as a function of the demand for energy saving insulation materials and in future AMG will grow as a function of the demand for energy storage systems, which will shift the long term demand for certain critical materials. The lithium ion battery should maybe be renamed as a graphite battery, as there is more graphite in it than lithium.

In vanadium AMG does not grow by way of the market size, but instead by way of an expanding market share. As AMG's innovative recycling process has proven to be the 'go to' solution for the recycling of spent catalysts, the hydro-metallurgical competitors are grappling with environmental problems including what to do with waste water.

AMG's recycling technology is the undisputed world leader. Over 99% of the waste received for processing, measured by weight, leaves the recycling plant in the form of saleable products. The rest goes to regular landfills, and each year that amount decreases.

Process Innovation – Engineering

AMG Engineering has developed a new plasma hearth melting furnace system for the recycling and improved re-use of titanium scrap, enabling aerospace customers to significantly reduce waste and CO₂ emissions. The demand for that system is propelled by the same trend in aerospace mentioned earlier, namely to reduce weight and thereby CO₂.

AMG grows organically in the field of 3D printing applications, the trend to so-called 'additive' manufacturing, by providing newly developed powder producing systems, so-called vacuum inert gas atomization (VIGA) and electrode induction melting gas atomization (EIGA). The latter system is for materials such as titanium, titanium aluminides, zirconium and chromium which are reactive and cannot be produced in furnaces with ceramic linings. The EIGA system provides such a solution.

Dr. Schimmelbusch mentions this as another example of the close cooperation of engineers from AMG Engineering and those engineers who produce the materials, in this case titanium powders.

Acquisitions Versus Organic Growth

Dr. Schimmelbusch emphasises that AMG should know about acquisitions, as AMG is the result of twelve acquisitions. In the beginning, the basic idea was to create an industry leader in critical materials and to consolidate small players in primarily very narrow product lines, and introduce state-of-the-art management systems focused on translating market volatility into stable cash flow performance at an acceptable risk level. The acquired companies were typically between \$50 million and \$100 million in sales, family owned, more than 100 years old and had difficulties finding a buyer. The last acquisition was done in 2011, KB Alloys, the US aluminium alloys producer. KB Alloys was not family owned – a PE firm had acquired it and had to wait fifteen years to find an exit, namely AMG. AMG operates a scalable business model. AMG's components are only interesting to another AMG, which does not exist. The value of the whole exceeds the value of the parts.

Having done acquisitions, AMG knows that they tend to be risky, they tend to come with surprises. AMG also knows that acquisitions tend to be expensive when compared with organic growth projects. Prices expressed in EV/EBITDA multiples are high even if such multiples do not make financial sense for the buyer. AMG was recently offered the chance to purchase a competitor in one of our eight critical material businesses for 11 times LTM EBITDA. Dr. Schimmelbusch declares his enthusiasm for industry consolidations, they make sense and are low risk. But at 11 times LTM EBITDA, AMG has to work for many years to recover the premium.

Dr. Schimmelbusch concludes that AMG will continue to be very selective in acquisitions. AMG is not looking to diversify, but rather to deepen its positions in today's activities.

Dr. Schimmelbusch mentions a recent calculation to measure one of the most successful organic product developments in AMG, titanium aluminides, by the way of an EV/EBITDA multiple equivalent. The multiple in this case is 3, not 11, or 8, or 6. AMG's organic growth projects hover around 3 as an average EV/EBITDA multiple equivalent, where the ratio is cash investment against normalized incremental EBITDA. A low multiple for organic growth projects is another way of addressing the value of the intellectual property embedded in AMG's unique workforce.

The Lithium Project Overview

Dr. Schimmelbusch mentions the recently announced feasibility study to potentially activate AMG's significant lithium resource in Brazil. Similar to the Talison lithium resource and mining operation in Australia, AMG operates a tantalum lithium ore body in Brazil. To date, for a very long time, AMG has been producing tantalum and the lithium content of the ore is being stored in a tailings area. The idea is now to extract that content by the way of lithium concentrates and maybe lithium carbonate or lithium hydroxide. Hatch Engineering and Outotec, the relevant global engineering firms, are working with AMG to determine the optimal route to commercialize the resource. AMG's advantage is that the costs of mining lithium were expensed, and are expensed, to the tantalum operation and therefore the lithium raw material is sitting there at a zero book value. This promises an opportunity to be a low cost mineral lithium producer. Another advantage of this lithium opportunity is that it is mineral 'hard rock' compared to the large brine based operations in Chile and Argentina. However, AMG is in the early stages in this and AMG does not want to 'overpromise'. There are still many hurdles to clear, including financing.

Health and Safety Focus

Dr. Schimmelbusch states that whoever operates in mining and in furnaces is married to safety. Of course AMG targets zero accidents. In reality the target is to establish a culture of rigorous, 'no compromise' commitment to safety measured in continuous dedication to improving safety records.

AMG Safety Results: 5-year LTI Rate

Some of AMG's peers report fatalities. It is the most important rule in the management of safety to focus on severity of accidents. How could a severe accident happen? Preventing it has to be a team effort: training, search for potential trouble spots, again training, reporting of missed accidents, dedication, attitudes.

AMG Safety Results: 5-year Severity Rate

Dr. Schimmelbusch notes that progress is slower than it was in the past. The better AMG gets, the more difficult it is to keep the momentum going. AMG is in such a period right now and will redouble its efforts.

An interesting fact to note is that AMG's best performer in safety is AMG's mining operation in Brazil, which is also where the percentage of female executives is the highest.

CO₂ Reduction

Years ago AMG began to calculate the impact of AMG's enabling technologies on CO₂ savings. AMG measures this for a number of such solutions, including titanium aluminides in aerospace, turbine blade coatings, and graphite dopings, enabling energy savings in buildings. In 2015 the combined savings enabled by those solutions was an estimated total of 23 million metric tons of CO₂.

Dr. Schimmelbusch thanks his audience and concludes his report of the Management Board.

The Chairman thanks Dr. Schimmelbusch and passes the floor to Mr. Dunkel.

Mr. Dunkel thanks the Chairman and remarks that his presentation, accompanied by slides, will put some numbers around the comments made by Dr. Schimmelbusch.

A Global Supplier of Critical Materials

Mr. Dunkel notes that with approximately 3,000 employees, AMG generated \$977.1 million in revenues in FY 2015. These revenues are split 20% in infrastructure, 22% in specialty metals and chemicals, 18% in energy and 40% in transportation, which comprises aerospace and automotive. On a regional basis, revenues are 43% in Europe, 35% in North America, 17% in Asia and 5% in the rest of the world. As can be seen, AMG is a very global company.

Financial Highlights

Comparing the FY 2015 to FY 2014, revenue was \$977 million, down 11% versus \$1.1 billion in 2014. This revenue was split between AMG Critical Materials, which was down 13% versus 2014, and AMG Engineering which was basically flat. Gross margin was 16.4%, down slightly versus 16.8% in 2014. This is mainly driven by AMG Critical Materials which was down versus 2014. Mr. Dunkel points out that it should be noted that \$6.9 million of the effect was driven by AMG's lower cost to market inventory correction around vanadium. AMG Engineering outperformed 2014.

EBITDA was \$75.6 million in 2015, which compares to \$85.7 million in 2014, which is down by 12%. Again, this was driven by AMG Critical Materials, which is down approximately 26% versus AMG Engineering which increased by more than \$12 million versus 2014.

Mr. Dunkel notes that if 2014 and 2015 were compared on a constant currency basis, AMG's EBITDA result would be unchanged.

CAPEX was approximately flat versus 2014.

Operational Update

Mr. Dunkel points to AMG's many successes in FY 2015. AMG Vanadium increased its production and sales volumes following the successful capacity expansion in 2014. AMG Graphite increased its production capacity by over 10% and completed the sale of 40% equity stake in AMG Graphite for \$40 million. AMG Titanium Alloys and Coatings ramped up its TiAl alloys business with long term contracts which were signed in 2014. AMG Silicon achieved reduction in operating costs after retrofitting their third furnace. AMG Brazil renegotiated a long term tantalum contract with Global Advanced Metals resulting in 10% interest.

AMG Engineering achieved significantly improved financial results in 2015. This is driven by stronger order intake as well as by successful innovation in powder metallurgy and in plasma furnaces. In addition to this, AMG Engineering implemented a cost management system and cut costs by over \$7 million in 2015.

Non-recurring Charges in 2015

Mr. Dunckel notes that with respect to restructuring charges, AMG Critical Materials sold its mine in Turkey which resulted in a net loss of \$2.6 million. As a result of the cost cutting measures mentioned earlier, AMG Engineering restructuring expenses were \$1.9 million and AMG Corporate had a \$1.4 million reversal. The net restructuring expenses were \$3.1 million.

Environmental charges increased by \$1.5 million, associated with additional discussions with the New Jersey Department of Environmental Protection for a total of non-recurring expenses of \$4.6 million. Mr. Dunckel states that it should be noted that AMG had no asset impairments in 2015.

Financial Data: ROCE & EBITDA

Moving on to EBITDA, Mr. Dunckel states that Q4 2015 EBITDA is down by 56% versus Q4 2014. This was driven partially by currency effects which accounted for approximately \$2 million and also by a \$4.4 million inventory adjustment related to vanadium.

ROCE was flat, despite the downturn in Q4 2015 versus 2014. This was driven by the very efficient use of capital and a reduction in working capital.

Financial Data: Net Debt & Operating Cash flow

Mr. Dunckel remarks that AMG has reduced debt from \$160 million in 2014 by \$160 million to approximately \$0 in 2015. AMG's primary debt facility is a \$320 million multicurrency term loan and a revolving credit facility which provides AMG with significant liquidity.

In Q4 2015 AMG's operating cash flow was \$33 million versus \$22 million in Q4 2014 and it picked up in Q4. Operating cash flow has been driven by very strong reductions in working capital over the last three years.

Q1 2016 Financial Highlights

Remarking on the call on May 4, Mr. Dunckel summarizes the highlights of Q1 2016. Revenue was \$237.4 million, which is an 8% decrease versus 2015. This was driven by weakened average metal prices. Operating profit was \$1.4 million or a 12% increase versus Q1 2015. This was partially due to a decline in the restructuring expense.

EBITDA was \$21.2 million, a 4% increase versus the same period in 2015. Notably, this improvement was despite weakened metal prices.

AMG's EPS was \$0.42 per share, which is an impressive increase of 320% from the same period in 2015.

AMG Critical Materials posted a revenue of \$176.5 million, significantly down but mainly driven by metal prices and a 2% decline in gross profit versus Q1 2015, yielding an EBITDA of \$16.5 million. AMG Engineering revenue was flat at \$60 million, but posted a 14% increase in gross profit and a significant increase in EBITDA to \$4.6 million.

The net cash balance at the end of Q1 was \$111.6 million and a net yielding in net debt of \$17.2 million and a very significant liquidity position of \$254.8 million.

2016 Outlook

Mr. Dunckel concludes his presentation with an outlook for the year 2016. AMG wishes to maintain profitability and continue to generate strong operating cash flow. AMG intends to continue to pay a dividend. AMG's change in dividend policy reflects a commitment to return value to the shareholders. In AMG Critical Materials the company will be profitable across all its business units and generate strong operating cash flow.

In AMG Engineering, as mentioned, the company expects to return to historical levels of profitability in 2016. Based on the strong order backlog at the end of 2015, AMG Engineering expects to continue to improve its financial results in 2016.

In this challenging environment, AMG will continue to reduce cost, optimize its product portfolio and maintain a conservative balance sheet.

The Chairman thanks Dr. Schimmelbusch and Mr. Dunckel for their presentations and he invites the shareholders to ask questions regarding the Annual Report and the presentations by Dr. Schimmelbusch and Mr. Dunckel. The Chairman asks the shareholder who asks a question regarding the Annual Report to refer to the page of the report.

Mr. Ritskes, from VEB, refers to the Annual Report and remarks that a normal Annual Report provides information to the shareholder. The Annual Report comprises 130 pages and on page 93 earnings per share are first mentioned. Mr. Ritskes points out that it is customary for companies quoted on the Dutch stock exchange, and also for international companies, that in the first few pages of an Annual Report an overview is presented of the 'big numbers' of the company, followed by the explanation. Mr. Ritskes states that the way this Annual Report is compiled is meaningless for a first-time shareholder. He recalls his earlier requests, to add a five-year overview containing the 'big numbers'. Mr. Ritskes states that he finds that the slides presented in March of 2016 for the analysts and shown on AMG's website are far more informative for the shareholders. These slides show information about materials and end users. He requests more detailed information, because 75% of AMG's business is in critical materials and the rest is in engineering. As a shareholder, Mr. Ritskes misses any underlying explanation for these percentages.

Dr. Schimmelbusch refers to page 4 of the Annual Report and states that all macro figures are presented there. Presentations for investors are continuously updated; mostly quarterly and they are to be seen as an integrated reporting system to shareholders. Dr. Schimmelbusch states that it is not the case that the Annual Report has to repeat the investor reporting. It is a fact that AMG's investors read both, and that they are an integrated system.

Mr. Ritskes reiterates that the Annual Report should be informative for the shareholders. Mr. Soininen, who is part of a company that is looking at other companies, knows that all the companies' reports contain a one page A4 sheet showing the 'big numbers'.

Dr. Schimmelbusch urges Mr. Ritskes to refer to page 4 of the Annual Report. Mr. Ritskes asks where on page 4 the EPS and the net profit are mentioned. Dr. Schimmelbusch states that the addition of EPS to page 4 will be taken into consideration in compiling next year's Annual Report. Mr. Ritskes quotes that revenue, gross profit, EBITDA, cash flow, working capital, net debt, lost time incidents, number of employees are mentioned, but nothing about net profit, EPS, ratios. Dr. Schimmelbusch states that the remarks by Mr. Ritskes will be taken into consideration.

Mr. Ritskes advises the Management Board to include the March 2016 figures for which companies AMG's products are an end-product in the slides and in the Annual Report.

Referring to the remarks about China that Dr. Schimmelbusch made in 2015 and which are repeated in the Annual Report, Mr. Ritskes notes that for three years Dr. Schimmelbusch saw the downturn in China and stated that AMG aimed to reduce its net debt. Mr. Ritskes asks what AMG's actual position is regarding China.

Dr. Schimmelbusch states that this is difficult to say. Mr. Ritskes remarks that three years ago Dr. Schimmelbusch was very outspoken on this issue. Dr. Schimmelbusch acknowledges this and claims that he was right. Mr. Ritskes states that he agrees. Dr. Schimmelbusch remarks that it was also difficult to say then. Right now it is still very difficult to say, Dr. Schimmelbusch restates. There is no clear prediction of what can happen. The range of alternatives is very wide, it can be a soft landing, a hard landing, it can be a recovery. Dr. Schimmelbusch concludes that it is very difficult to say, as the range of experts commenting on this is very wide. He states that he cannot see the future clearly. Mr. Ritskes remarks that the Management Board has to deal with it. Dr. Schimmelbusch acknowledges this.

Mr. Ritskes states that three years ago and last year, Dr. Schimmelbusch was very precise and knowledgeable on this issue, and he would like to hear Dr. Schimmelbusch's personal opinion. Dr. Schimmelbusch remarks that AMG's strategy is based on a very conservative view of the world market to not be negatively surprised. AMG is in many ways hedged and adopts a very low risk approach. AMG's exposure to China is mostly by buying raw materials in China, which is unaffected, and by selling engineering equipment to industries which are mostly aerospace related. Aerospace is also relatively unaffected because aerospace is the one area which is pushed massively by the five-year plan of the Chinese government. AMG's China risk which Dr. Schimmelbusch referred to three years ago was related through its impact on commodities, not through the conduct of AMG's business in China. It translates into a risk of the company by way of the commodity prices. Mr. Ritskes asks if Dr. Schimmelbusch means to say that the risk in China is lower now. Dr. Schimmelbusch explains that commodity prices have adjusted to the lower level of demand in China and there are slight indications that certain materials have reached the bottom, while others have not.

Mr. Ritskes contends that the margin on AMG Engineering is far higher and asks where AMG expects to invest, in an acquisition or in increasing AMG Engineering because AMG Engineering has the higher margin. Dr. Schimmelbusch remarks that margins are high, intrinsically higher than production.

The growth perspectives for production are limited. The system of AMG is to operate both. Most of AMG's innovation initiatives are combined in the engineering and production system. For example, AMG's most prospective product line for aerospace is titanium aluminides, which is AMG's largest growth project presently in critical materials, and originates in the proprietary process know-how based furnaces of AMG Engineering. These figures have to be seen in context. Without the process furnace innovations in AMG Engineering, the development process in this world leading titanium aluminide material would not have happened or could not be entertained. AMG is now the sole supplier of titanium aluminides in the world which enables the reduction of CO₂ and an increase in fuel efficiency by 15%. AMG is a jet engine driven company. A jet engine is AMG's most important 'customer'. In both engineering and in critical materials AMG supplies offerings to all temperature zones in the jet engine, including the zone where nickel alloyed steel is coated. This is the zone with the highest operating temperature in a jet engine. AMG enables the world's jet engines to fly at up to 1500 °C. If AMG did not exist, jet engines would fly at up to 1300 °C with dramatically higher CO₂ levels. These offerings of critical materials and engineering constantly meet each other in the jet engine. When nickel alloyed steel, which is melted in furnaces, is produced by AMG, then the neighbouring furnaces produce titanium aluminide. Dr. Schimmelbusch emphasizes that it is an integrated offering by AMG. AMG's customers are the likes of General Electric, Pratt&Whitney, Rolls Royce, RAXEA, Chromalloy, Snecma, MTU. AMG's customers are very happy being serviced both by engineering know-how and with products. Therefore, it is difficult to differentiate organizationally between the two because in the market, they meet.

Mr. Ritskes states that for him the question remains whether AMG will spend more on Engineering than on Critical Materials.

Dr. Schimmelbusch recollects discussions in the past advising AMG to sell Engineering and remarks that the Management Board is entrusted with the company and has its own view and that AMG seeks, wherever possible, innovative business opportunities; both in Critical Materials and in Engineering.

Mr. Ritskes remarks that in a former shareholder meeting it was noted that AMG was lagging behind, and was a dampening factor for the total circumstances and he asks if this is still the case.

Dr. Schimmelbusch asks Mr. Ritskes to restate his question. Mr. Ritskes remarks that in 2013 and in 2014 a deepening in AMG Engineering could be seen and now a better result in 2015 is visible. It is also dampening the total and now it is increasing. So, if Engineering is going up, Critical Materials can be somewhat less. Mr. Ritskes asks if this is still the case in the company.

Dr. Schimmelbusch explains that AMG operates a portfolio of critical materials and engineering and that AMG is happy with this portfolio. Precisely because financially, operationally and strategically AMG's operations have just been elaborated. Financially there is a counter-cyclicity; in 2015 AMG suffered from low vanadium prices, compensated by higher Engineering income. In the crisis years of 2008 and 2009 Engineering saved the company. The counter-cyclicity is very beneficial and is called the 'portfolio effect'. Mr. Ritskes remarks that Dr. Schimmelbusch is pleased with this effect. Dr. Schimmelbusch agrees and remarks that AMG has outperformed every single peer company in the crisis years in terms of free cash flow. Dr. Schimmelbusch remarks that he sometimes wishes that AMG would be congratulated by a shareholder for this achievement. In reply, Mr. Ritskes extends his congratulations [laughter].

Mr. Ritskes notes that net debt has been reduced to almost \$0 and that AMG still has some working capital. Referring to a comment last year by Dr. Schimmelbusch, Mr. Ritskes asks about the idea of taking more long term debt because of the low interest rates. Mr. Dunkel replies on behalf of Dr. Schimmelbusch and explains that there is no reason to put incremental debt on a company without use of funds. AMG does not wish to add more debt, as the company has \$250 million of liquidity. Raising cash because it is cheap is not the way in which AMG prefers to do business. However, if AMG has projects that need financing, the company has access to capital. Dr. Schimmelbusch adds that projects do not come in small increments. AMG has enough liquidity but in future, in long term initiatives, AMG needs large amounts of committed capital. No short term capital or three-year capital is needed. A long term financing facility is required. Dr. Schimmelbusch remarks that AMG is a little too small investment grade bonds. If AMG had investment grade bonds, AMG's growth would be substantially enhanced. This would be the right financing method for bigger and substantial projects. The Management Board discusses and evaluates this in the light of available alternatives in order to solve that problem. Dr. Schimmelbusch points out that when AMG uses relatively short term financing facilities for a long term project it becomes evident that firstly the additional capital expenditure needs to be financed. Additional CAPEX without the 'old' EBITDA supporting that effort, the interest costs and the capital costs associated, is waiting for the year when the company finally has additional EBITDA. Dr. Schimmelbusch states that this is risky because projects sometimes have over-runs, delays or surprises and the company has to wait longer for the incremental EBITDA.

Dr. Schimmelbusch explains that a conservative financing strategy in this volatile world makes it advisable to only execute these projects when the long term financing is stable and in place. AMG is working on this.

Referring to RWC, Mr. Ritskes notes that in 2014 the participation by RWC was 10%, in 2015 the participation increased to 17% and now the participation amounts to 20%. With RWC now on the Supervisory Board, Mr. Ritskes assumes that there are lock-ups and he asks when RWC bought the 3%. Mr. Soininen answers that with regard to RWC's holding on the stock, it is a principle that RWC does not publicly discuss its holding periods nor buying and selling holding decisions. In his capacity as a member of the Supervisory Board, Mr. Soininen is subject to the Dutch law on inside information and confidential information that is extended to the trading period of any member of the Supervisory Board on this panel. For the sake of insider trading in the Dutch context RWC also has a very clear information sharing agreement between RWC and AMG which for the purposes of compliancy ties RWC to the same black-out periods as the Supervisory Board. Considering this a personal answer by Mr. Soininen, Mr. Ritskes restates his question on which date RWC bought the 3%. Mr. Soininen states that future trading decisions or future trading events are all regulated by the Dutch laws and regulations and the compliance practises of AMG.

Referring to the recommendations made by Messrs. Soininen and Meuter in 2014 and their subsequent appointment to the Supervisory Board in 2015, Mr. Ritskes asks them to comment on their achievements to date. Mr. Ritskes remembers that the agreement was valid until the AGM in 2017 and that in the intervening period RWC would look at most measures. Mr. Soininen states that as it is a standard practise in the Netherlands, that discussions in the Supervisory Board are confidential. None of the members of the Supervisory Board are allowed or expected to comment publicly on internal discussions in the Supervisory Board.

The Chairman reminds Mr. Ritskes that only questions about the Annual Report could be put forward. Mr. Ritskes remarks that he asked Dr. Schimmelbusch if he could ask other questions as well, and that Dr. Schimmelbusch permitted this. Mr. Ritskes concludes that he is satisfied.

The Chairman asks if there are any other questions.

Mr. [name not stated] compliments AMG for the company's achievements in 2015. He remarks that the figures do not lie, but that liars sometimes can figure. Mr. [name not stated] states that he has a question about risks, in particular about AMG's cooperation with Triton in operations in Mozambique, South Africa.

Dr. Schimmelbusch states that with regard to Triton, there is no risk for AMG, because Triton is a different company. Triton operates in the neighbourhood of AMG's mines. With regard to Mozambique, Dr. Schimmelbusch explains that all of AMG's operations in critical materials start in remote regions, exotic places. Dr. Schimmelbusch adds that geology seems to prefer remote places. Therefore, AMG has to go from Chinese provinces to Kazakhstan, Southern Ural, Sri Lanka, Mozambique, Zimbabwe, Brazil, Minas Gerais and other places in the jungle. This is where AMG's operations start and they end with General Electric, Pratt & Whitney, BASF; the crème-de-la-crème of the industry. Between these exotic places and for example BASF, AMG operates value chains. These value chains are complicated to manage. This is why most of AMG's companies are a hundred years old; they have a lot of know-how. AMG is rarely affected by political disturbances. AMG is up to date on the situation in Mozambique, AMG has personnel on the ground and AMG is building a high quality mine which is very important for the livelihood of the local population. AMG builds schools, and AMG is appreciated and AMG is socially responsible. AMG has legally perfect agreements. Dr. Schimmelbusch remarks that Mozambique is a large country and that AMG's operations are situated 100 km from the coast. AMG has electricity lines which other mines do not have. The difference between risky mines and other local low margin mines and good mines is in Africa mostly defined by the access to electricity. Because if electricity is not available, diesel fuel has to be transported by road and sometimes the trucks do not arrive at their destination, in which case the diesel fuel has to be delivered by helicopter, which is expensive. Dr. Schimmelbusch states that AMG is aware of political risks, but there is nothing to report in this case at present.

The Chairman asks if there are any other questions and concludes that there are no more questions on this subject and he passes the floor to the Remuneration Committee of the Supervisory Board.

2.b. Report of the Remuneration Committee of the Supervisory Board for the 2015 Financial Year

The Chairman states that in accordance with Dutch legislation AMG believes that it is important to be transparent on its remuneration policy and on the implementation of such a policy. Mr. Messman, Chairman of the Remuneration Committee, will give a presentation about AMG's remuneration policy. The Chairman passes the floor to Mr. Messman. After his presentation, Mr. Messman will be happy to answer any questions in relation to the remuneration of the Management Board of AMG.

Mr. Messman thanks the Chairman and remarks that he is pleased to report for the Remuneration Committee to the shareholders. Mr. Messman explains that his presentation will cover the AMG compensation system, the 2015 bonus results, a review of the long term incentives and some observations about compensation in general.

Components of Management Board Remuneration

The components of the Management Board remuneration consist of base salary, annual bonus or short term incentive (STI) and long term incentives (LTI) which are typically broken into stock options and performance share units (PSU's). Mr. Messman explains in more detail how the Remuneration Committee views each of these components.

Base Salary

Base salary is determined by a market comparison based on a peer group of public companies. For the current period AMG's peer group contains of twenty companies, as mentioned in the Annual Report. The peer group consists of twenty companies, thirteen are U.S. based, two are Canadian, five are European companies and this reflects the geographical areas where AMG does business. AMG competes against these twenty companies. AMG hires from them and they hire from AMG, hopefully not too many, and they do business in AMG's markets. They are in the same market segments as AMG; metals, mining and technologies. The public data on the peer group are gathered and analysed by the Hay Group, which is a leading international compensation advisor. The Hay Group is well respected and independent of management or the committee. AMG's compensation target with regard to salaries is to be in the 50th to 75th percentile of the peer group. AMG aims for the 50th percentile, but AMG goes higher if the competition for a specific executive is strong and competitive remuneration is necessary to hire the executive. AMG also goes higher if experience of the executive warrants it and if the performance of that executive warrants it.

Short Term Incentives

Short term incentives are based on the annual budget set by the Supervisory Board and have three metrics for measuring. 40% is based on return on capital employed, which is a measure of capital efficiency, 40% on operating cash flow, which ties operating performance to the balance sheet and 20% on personal measures or individual objectives of the executive approved by the Supervisory Board. The Supervisory Board set the targets which need to be met through the annual budget process. As a percentage of salary, the Remuneration Committee determines where AMG ranks in the marketplace and looks at the peer group. The peer group shows that the 50th percentile for AMG's executives is 100% (CEO), 75% (COO) and 75% (CFO) of the salary. AMG's target bonuses are below the market 50th percentile. The Remuneration Committee considers this appropriate in view of AMG's position today.

If management exceeds the metrics shown on slide number 5, then bonus can grow calculated according to the mechanism shown on slide number 5.

Long Term Incentives

This value is determined as a percentage of salary by again using the peer group. This incentive is split between stock options and performance share units. The Remuneration Committee chose a split of 20% on stock options and 80% on performance share units to reduce dilution to the shareholder if more options were used. An award is made to an executive but the company must pass a 3-year average return on capital employed for those options to vest to allow the executive to exercise those options. This is called a 'gate' and the performance must pass this gate for these options to vest. But once they get through the 'gate', they vest 50% in year 3 and 50% in year 4. Options typically have a 10-year life. They are only viable if AMG's stock price increases and management is focussed on increasing the stock price. 80% performance share units must again pass a 'gate' before vesting can occur. The 'gate' is a 3-year average return on capital employed. After they get through the 'gate', how much the executives are rewarded is determined by AMG's performance based on total shareholder return versus the Bloomberg World Metals Index. In each of these cases there is a two-part testing for vesting to occur. Mr. Messman remarks that this is how AMG's compensation system is structured.

2015 Bonus Results

Mr. Messman continues his presentation with a review of some of the results and how the calculations are made so that the not so simple mathematics is understood. Mr. Messman explains that for the 2015 bonus three steps are followed to determine the bonus payment. Pointing to the metrics shown on chart number 7, performance for each of these is versus the budget approved by the Supervisory Board. As can be seen on chart number 7, management slightly missed the target on ROCE (84%), management significantly exceeded on Cash Flow (191%) and thereby reduced AMG's net debt to nearly \$0. Each member of the Management Board met its individual objective (100%). Using the respective weights (40%, 40%, 20%) led to a weighted performance of 130%. Taking this to the next step, starting with the target bonus below the 50th percentile, and multiplying this by the performance percentage, results in a pay-out percentage for each member of the Management Board. The actual bonus is derived by multiplying the base salary with the pay-out percentage for each member of the Management Board as mentioned in the Annual Report.

Review of Long Term Incentives

Mr. Messman remarks that for several years the metals markets have been in turmoil, as has been discussed in the past three years. Metal prices have declined substantially. As a result, AMG's stock price performance, and therefore total shareholder return (TSR) has not been good. As a result, even though AMG made competitive awards of stock options and PSU's, only 25% of PSU's vested and paid out in 2013. In 2014 and 2015, AMG's TSR, using the Bloomberg Index, was below the 25th percentile of peers in the index. Consequently 0% vested. In 2016 at the current TSR for the period that just ended prior to the AGM, AMG's executives earned 115% of the PSU's.

Some Observations on Compensation

Mr. Messman concludes his presentation by stating that the metrics for 2016 will change somewhat. For the operating cash flow metric, the Remuneration Committee will adopt an unadjusted operating cash flow that ties to the financial statement's operating cash flow to allow easier observation of progress.

The Remuneration Committee will continue to rebalance the components of compensation. Given the developments in the marketplace, AMG's long term incentives have not held up their end of the bargain. Thus, salary increases will be kept flat or moderate. More emphasis will be put on long term incentives that are tied to increases in shareholder value.

Mr. Messman states that as agreed with RWC, AMG has switched its compensation advisor to Willis Towers Watson, which is the largest executive compensation company in the world. That study is now underway, and the Remuneration Committee expects to complete the study in the next three or four months, in time to use those results to set the targets for 2017.

The Chairman thanks Mr. Messman for his presentation and asks if there are any questions. As there are no questions, the Chairman concludes this item of the agenda.

2.c. Discussion of Dividend Policy

The Chairman states that in accordance with the Dutch corporate governance code, AMG proposes to discuss AMG's dividend policy, also in view of the fact that this policy has been amended in the third quarter of 2015.

The Chairman passes the floor to Dr. Schimmelbusch to explain the change in dividend policy.

Dr. Schimmelbusch thanks the Chairman and states that AMG's dividend policy had been consistent over the past eight years, which stated that all earnings were retained to improve the strength of the balance sheet and finance the development of the business. The Management Board has concluded based on advice of its financial advisers ING, and in order to broaden its current investor base, that a change in dividend policy is merited.

Accordingly, AMG's dividend policy going forward is to evaluate liquidity needs for alternative uses including funding growth opportunities and funding dividend payments to shareholders. Further, AMG's decision to initiate dividend payments to shareholders reflects the company's strong balance sheet liquidity, as well as the Board's confidence in AMG's long-term ability to generate solid cash flow.

The Chairman invites the shareholders to ask questions regarding AMG's dividend policy.

Mr. Ritskes, from VEB, asks if there should be a percentage outcome of the net profit or target each year. Mr. Ritskes remarks that it is wise to give a range for the dividend payment. Dr. Schimmelbusch answers that AMG is learning to pay dividends, as AMG did not do this in the past. Secondly AMG is initiating dividends and feels that something between 2% and 2.5% yield might be a good guidance. AMG has no formal guidance and AMG does not presently link the dividend decision to net income simply because the net income is volatile, particularly in AMG's case. For example, when looking at the tax rate and the fluctuation of deferred taxes as determined by fluctuations of the Brazilian currency and the interest level in Brazil, then AMG's dividend would suddenly jump up, because the macroeconomic figures in Brazil change and that would not be justified. These deferred tax movements which AMG cannot control are non-cash and the dividend is obviously cash. Presently AMG considers its liquidity situation and wants to keep a stable, and hopefully rising, dividend level. Mr. Ritskes takes note of the answer given by Dr. Schimmelbusch.

The Chairman asks if there are any more questions regarding dividends. As this is not the case, the Chairman concludes this agenda item. The Chairman states that he has already informed the audience regarding the attendance list and the number of shares which are present.

3.a. Adoption of the 2015 Financial Statements

The Chairman states that the proposal for adoption of the 2015 financial statements is shown on the screen behind him. The Chairman explains, as already indicated by Ms. Van Rooijen, that the full text of each proposal that is put to a vote will be reflected on the screen behind the Chairman when such a proposal is put to a vote.

The Company's financial statements have been audited by Ernst & Young Accountants, the Company's external auditor for the financial year 2015. The unqualified audit opinion may be found on page 127 of the annual report. The Chairman asks if there are any questions on this subject and points to Mr. Frentz of Ernst & Young who can answer any questions.

Mr. Frentz confirms this and remarks that he will present the scope and the background of the audit, the audit strategy and the way the audit is executed. Ernst & Young have been engaged to audit the 2015 financial statements. As such, Ernst & Young evaluated financial statements, provided a true and fair view in accordance with IFRS and Dutch law. In addition, Ernst & Young evaluated whether the Management Board is consistent with the financial statements and if the formal requirements are met. Ernst & Young have issued an unqualified audit opinion which is included in the 2015 Annual Report. Regarding audit strategy, Mr. Frentz explains that the audit strategy can be characterized as top-down and risk based. Ernst & Young has an integrated global approach. As a primary team Ernst & Young designs and coordinates the global audit. The primary team sets audit scopes for individual locations and issues audit instructions to the respective teams. All entities and scopes are audited by Ernst & Young audit teams. The primary team works closely with the local audit teams during the course of the audit and visits AMG's main locations. Furthermore, the primary team attends local planning and closing meetings and aligns these observations with AMG. At AMG corporate level, Ernst & Young addresses corporate topics, such as the consolidation, the financial statements but also other corporate matters such as taxes, financing and impairment reviews. Overall Ernst & Young believes that the audit provides a sufficient basis for Ernst & Young's conclusion.

Regarding the way the audit is executed, Mr. Frentz notes that as is known, Ernst & Young applies materiality in executing Ernst & Young's audits. Consistent with 2014, materiality was based on EBITDA and was set at 3% (\$2 million). In Ernst & Young's opinion, Ernst & Young reports key audit matters, which are those matters which are most significant to Ernst & Young's audit. Today Ernst & Young will highlight those matters relating to specific events in 2015, as the audit matters are fairly consistent with the prior year. Mr. Frentz remarks that during 2015 a sales contract with one of AMG's customers was amended. Considering its significance, and the multiple elements involved, Ernst & Young specifically validated the accounting for this amendment. Based on Ernst & Young's audit, Ernst & Young concurs with the accounting applied by AMG. A second 2015 event is the sale of a 40% equity interest in AMG Graphite Kropfmühl GmbH. As part of its audit, Ernst & Young inspected the sales' and shareholders' agreements and validated AMG's accounting and AMG's position that AMG continues to be in control of AMG Graphite.

Concluding his presentation, Mr. Frentz notes that AMG's external debt was refinanced and that during the audit Ernst & Young paid specific attention to the refinancing as well as compliance with the debt governance. With regard to communication, Mr. Frentz notes that Ernst & Young has open and frequent communication with AMG during the audit process and that it is Ernst & Young's experience

that matters reported to AMG are followed up with the appropriate attention. Regarding rotation, Mr. Frentz notes that following new legislation, Ernst & Young will rotate off from the audit of AMG as of 2016. On behalf of Ernst & Young, Mr. Frentz thanks AMG and its shareholders for their trust and professional cooperation over the past years. [applause]

The Chairman asks if there are any questions regarding the auditor's report. As there are no questions, the Chairman puts the proposal to the vote and gives the floor to Ms. Van Rooijen for further instructions on electronic voting.

Ms. Van Rooijen thanks the Chairman and asks the shareholders to put their smartcard into the keypad with the chip facing them. The name of the shareholder will appear in the display. If this is not the case, Ms. Van Rooijen requests the shareholder to raise their hand and someone will be sent to help. The shareholder can keep the smartcard inserted in the keypad for the entire duration of the meeting. The Chairman asks if there are any problems with the system so far and as this is not the case, Ms. Van Rooijen explains that to cast a vote, the shareholder has to press the appropriate button. Press '1' to vote in favour of the proposal, press '2' against the proposal and press '3' to withhold/abstain from the proposal.

Ms. Van Rooijen declares the resolution opened and requests the shareholders to cast their votes by pressing the button of their choice.

Ms. Van Rooijen declares that the vote on the adoption of the 2015 financial statements is closed and that the total number of votes received in favour of the resolution is 14.8 million votes. The number of votes against is zero (0) and the number of votes abstained is 118,000, which results in 100% of the votes cast in favour of this agenda item.

The Chairman confirms that the majority of the votes has been cast in favour of the proposal and he hereby confirms that the proposal is adopted.

3.b. Proposal to Resolve upon (Final) Dividend Distribution

The Chairman moves to the proposal to the final dividend distribution which is shown on the screen behind him. In line with the revised dividend policy as discussed earlier, the Management Board proposes a final dividend of € 0.21 per ordinary share. This proposal has been approved by the Supervisory Board. On September 16, 2015, the first interim distribution of € 0.10 per ordinary share was effected; this will be deducted from the total dividend distribution making the final dividend € 0.11 per ordinary share. The final dividend of € 0.11 per ordinary share will be made payable on May 13, 2016, to shareholders of record on May 10, 2016. The Chairman asks if there are any questions. As this is not the case, the Chairman puts the proposal to a vote and requests the voting system to be activated.

The Chairman instructs the shareholders to press '1' if they wish to vote in favour the proposal, press '2' if they wish to vote against and press '3' if they wish to withhold their vote.

The Chairman reminds shareholders that five seconds remain to cast their vote.

The Chairman declares that the vote on the final dividend distribution is closed. The Chairman confirms that 14,932,540 votes have been cast in favour of the proposal, 119 votes have been cast against the proposal and 3 votes are so called 'no votes'.

The Chairman confirms that the majority of the votes has been cast in favour of the proposal and he hereby confirms that the proposal is adopted.

4. Discharge of Liability of the Members of the Management Board for the 2015 Financial Year

The Chairman proceeds to the next item on the agenda, which is the discharge from liability of the members of the Management Board for the exercise of their management duties during the 2015 financial year. The Chairman asks if there are any questions regarding this proposal. Since there are no questions, the Chairman puts the proposal to a vote and requests the voting system to be activated.

The Chairman instructs the shareholders to press '1' if they wish to vote for the proposal, press '2' if they wish to vote against and press '3' if they wish to abstain.

The Chairman declares the resolution opened and requests shareholders to cast their votes by pressing the button of their choice. The Chairman reminds shareholders that five seconds remain to cast their vote.

The Chairman declares that the vote on discharge from liability of the members of the Management Board for the 2015 financial year is closed. The Chairman confirms that 14,814,276 votes have been cast in favour of the proposal, no (0) votes have been cast against the proposal and 118,463 votes have been withheld from the proposal. There were 3 'no votes'.

The Chairman confirms that the majority of the votes has been cast in favour of the proposal and he hereby confirms that the proposal is adopted.

5. Discharge of Liability of the Members of the Supervisory Board for the 2015 Financial Year

The Chairman proceeds to the next item on the agenda, which is the discharge from liability of the members of the Supervisory Board for their supervisory and advisory tasks for the 2015 financial year. The Chairman asks if there are any questions regarding this proposal. Since there are no questions, the Chairman puts the proposal to a vote and requests the voting system to be activated.

The Chairman instructs the shareholders to press '1' if they wish to vote for the proposal, press '2' if they wish to vote against and press 3 if they wish to abstain.

The Chairman declares the resolution opened and requests shareholders to cast their votes by pressing the button of their choice. The Chairman reminds shareholders that five seconds remain to cast their vote.

The Chairman declares that the vote on discharge from liability of the members of the Supervisory Board for the 2015 financial year is closed. The Chairman confirms that the total number of votes received is 14,932,742. 8,939,473 votes have been cast in favour of the proposal, 55,264 votes have been cast against the proposal, and 5,938,002 votes have abstained from the proposal. There were 3 'no votes'.

The Chairman confirms that the majority of the votes has been cast in favour of the proposal and he hereby confirms that the proposal is adopted.

6. Composition of the Management Board

The Chairman proceeds to the next item on the agenda, the composition of the Management Board. He states that he will give a presentation on the nomination process that the Selection and Appointment Committee of the Supervisory Board performs when nominating a person to be appointed as a member of the Management Board.

The Chairman remarks that the Selection and Appointment Committee of the Supervisory Board consisting of Mrs. Ceccarelli and himself, has been active since last year to complete its search of a successor for Ms. Amy Ard for appointment as Chief Financial Officer (CFO) of the Management Board. As per the departure of Ms. Amy Ard, who has resigned as of January 31, 2016 for personal reasons, a vacancy has arisen within the Management Board. Following Ms. Ard's announcement that she wished to resign, the Selection and Appointment Committee initiated an orderly process to select a successor as CFO of the Management Board. The Selection and Appointment Committee is happy to propose Mr. Dunckel as member of the Management Board. Mr. Dunckel has broad, international and highly relevant experience in the banking and chemical industries and has expertise in financing and treasury matters which uniquely qualifies him to join AMG's team. The details of Mr. Dunckel can be found in the explanatory notes to the agenda for this meeting and on AMG's website.

The Supervisory Board proposes by way of binding nomination to appoint Mr. Dunckel as member of the Management Board with effect from May 4, 2016 until immediately after the Annual General Meeting in 2020. This is in accordance with the regular four-year term for which members of the Management Board are appointed under the Company's constitutional documents. An excerpt of the terms and conditions of his employment contract with Metallurg Inc., a subsidiary of AMG, can be found at AMG's corporate website.

The Chairman proceeds with the proposal to appoint Mr. Dunckel as a member of the Management Board and proceeds with the voting regarding the proposed appointment. The Chairman asks if there are any questions regarding this proposal.

Mr. Ritskes, from VEB, remarks that normally at this point on the agenda, the salary and the bonuses of the nominee are mentioned. Mr. Ritskes asks for the exact numbers regarding the salary and the bonuses Mr. Dunckel receives upon appointment. Mr. Ritskes also asks if Mr. Dunckel will be retained by AMG for a two-year period if he leaves AMG, in order to compensate Mr. Dunckel with a bonus for missed options. Mr. Ritskes asks what Mr. Dunckel's total remuneration package amounts to.

Dr. Schimmelbusch answers that the total remuneration and the employment conditions of Mr. Dunckel are very close and almost the same as the published remuneration of the COO.

Mr. Ritskes repeats his question about the two-year extended tenure of Mr. Dunckel and states that while AMG is looking at the fundamentals of its remuneration and the conclusions of the study conducted with Willis Towers Watson which will be available in 2017, AMG is giving away a two-year salary to Mr. Dunckel if he leaves the Company.

Dr. Schimmelbusch states that this is the established severance policy for members of the Management Board in order to be competitive in the global market for management positions.

Mr. Ritskes refers to complaints during former Annual Meetings about the total salary in the Company, the board members and that total number of employees should be cut. Mr. Ritskes remarks that AMG is appointing a new member of the Management Board at a very high salary. Dr. Schimmelbusch states that this remark is duly noted. Mr. Ritskes declares that because of this issue, he will vote against the proposal to appoint Mr. Dunckel as a member of the Management Board.

The Chairman asks if there are any further questions. Since this is not the case, the Chairman puts the proposal to a vote and requests the voting system to be activated.

The Chairman instructs the shareholders to press '1' if they wish to vote for the proposal, press '2' if they wish to vote against and press '3' if they wish to abstain.

The Chairman declares the resolution opened and requests shareholders to cast their votes by pressing the button of their choice. The Chairman reminds shareholders that five seconds remain to cast their votes.

The Chairman declares that the vote on the composition of the Management Board is closed. The Chairman confirms that the total number of votes received is 14,932,742, of which 9,094,807 votes were cast in favour of the proposal. 22,688 votes have been cast against the proposal, 5,815,244 votes have abstained from the proposal and there were 3 'no votes'.

The Chairman confirms that the majority of the votes has been cast in favour of the proposal and he hereby confirms that the proposal is adopted. [applause]

7. Appointment of KPMG Accountants as External Auditor of the Company for the Financial Years 2016 and 2017

The Chairman proceeds to the next item on the agenda, the proposal to appoint KPMG Accountants as auditor of the Company. As included in the agenda, the Management Board has decided to appoint a new external auditor for the financial year 2016 and onwards, also in view of recent legislation prescribing mandatory rotation of the external accountant.

The Chairman gives the floor to Mr. Hoyos, Chair of the Audit Committee to give a presentation on the proposal.

Mr. Hoyos thanks the Chairman and expresses his thanks to Ernst & Young and remarks that the close cooperation between both companies has worked very well. Not only in the Audit Committee, but the whole Supervisory Board where Ernst & Young have been present in meetings and have provided clear explanations on issues under discussion. Mr. Warmolt Prins and Mr. Rene Frenz have been extremely direct in their connection with AMG and although the auditor's and the Supervisory Board's goals sometimes differ, the open discussion is important and Ernst & Young has done singularly well in this respect. Mr. Hoyos thanks Ernst & Young, also on behalf of the shareholders, for many years of extremely good cooperation. [applause]

Mr. Hoyos proceeds to welcome AMG's new auditors and explains that in 2015 the Audit Committee has done extensive work to choose a new auditor. All the important firms were invited to apply for appointment and the selection process was led by Ms. Amy Ard (CFO), AMG's internal auditor. The Supervisory Board and specifically the Audit Committee were involved in the whole process.

Additionally, in each of the countries where auditors were to be chosen, the candidates were presented to the local teams who had input on the final choice for AMG's auditor.

Remarking on the selection criteria, Mr. Hoyos explains that firstly the company has to be present in all the countries in which AMG is active. Secondly, high professional standards are expected in all the countries in which AMG operates. Thirdly, competitive pricing is obviously expected. Most importantly, AMG needs a strong leader of this group of auditors in Holland who can control all activities, because AMG is listed on the Dutch stock exchange. Three presentations by candidates were attended by Mr. Meuter and Mr. Hoyos. There was a very clear voting procedure and Mr. Meuter and Mr. Hoyos were very much encouraged by the selection team to choose one audit firm that possesses all the prerequisites for the appointment. This firm is KPMG and the Management Board proposes to vote for KPMG as the company's auditors for 2016 and 2017.

The Chairman proceeds with the proposal to appoint of KPMG Accountants LLP as external auditor of the Company for the financial years 2016 and 2017. The Chairman asks if there are any questions regarding this proposal. Since this is not the case, the Chairman puts the proposal to a vote and requests the voting system to be activated.

The Chairman instructs the shareholders to press '1' if they wish to vote for the proposal, press '2' if they wish to vote against and press '3' if they wish to abstain.

The Chairman declares the resolution opened and requests shareholders to cast their votes by pressing the button of their choice. The Chairman reminds shareholders that five seconds remain to cast their vote.

The Chairman declares that the vote on the appointment of KPMG Accountants as auditor of the Company for the financial years 2016 and 2017 is closed. The Chairman confirms that the total number of votes received is 14,932,739, of which 14,932,539 votes were cast in favour of the proposal. Only 199 votes have been cast against the proposal, 2 votes have abstained from the proposal and there were 2 'no votes'.

The Chairman confirms that the majority of the votes has been cast in favour of the proposal and he hereby confirms that the proposal is adopted. The Chairman congratulates KPMG.

8. (a) Proposal to authorize the Management Board for a period of 18 months as of May 4, 2016, i.e. up to and including November 3, 2017, subject to the approval of the Supervisory Board, to issue shares in the Company's share capital and/or grant rights to subscribe for shares in the Company's share capital up to a maximum of 10% of the Company's issued share capital as per December 31, 2015.

The Chairman proceeds to the renewal of the authorization to issue shares, grant options to acquire shares and to restrict or exclude pre-emptive rights for general corporate purposes. The full text of the proposals is shown on the screen.

The authorization provides flexibility in financing the Company and enables the issue of ordinary shares/grant of rights to subscribe for ordinary shares in respect of share-based compensation plans for employees.

The Chairman asks if there are any questions regarding this proposal. Since this is not the case, the Chairman firstly puts to a vote: (i) the proposal to issue shares and grant options to acquire shares.

The Chairman requests the voting system to be activated. The Chairman instructs the shareholders to press '1' if they wish to vote for the proposal, press '2' if they wish to vote against and press '3' if they wish to abstain.

The Chairman declares the resolution opened and requests shareholders to cast their votes by pressing the button of their choice. The Chairman reminds shareholders that five seconds remain to cast their vote.

The Chairman declares that the vote on the authorization of the Management Board for a period of 18 months as of May 4, 2016, subject to the approval of the Supervisory Board, to issue shares in the Company's share capital up to a maximum of 10% of the Company's issued share capital as per December 31, 2015 is closed. The Chairman confirms that the total number of votes received is 14,932,739, of which 14,844,362 votes were cast in favour of the proposal. 88,376 votes have been cast against the proposal, 1 vote has abstained from the proposal and there were 3 'no votes'.

The Chairman confirms that the majority of the votes has been cast in favour of the proposal and he hereby confirms that the proposal is adopted.

8.(b) Proposal to authorize the Management Board for a period of 18 months as of May 4, 2016, i.e. up to and including November 3, 2017, subject to the approval of the Supervisory Board, to restrict or exclude the pre-emptive rights accruing to shareholders upon an issuance as referred to under item 8.(a).

Secondly, the Chairman puts to a vote: (ii) the proposal to restrict or exclude the pre-emptive rights in case of an issuance of shares for general corporate purposes to a vote. This right is important for the Management Board to act decisively and swiftly in case strategic opportunities would emerge.

The Chairman requests the voting system to be activated. The Chairman instructs the shareholders to press '1' if they wish to vote for the proposal, press '2' if they wish to vote against and press '3' if they wish to abstain.

The Chairman declares the resolution opened and requests shareholders to cast their votes by pressing the button of their choice. The Chairman reminds shareholders that five seconds remain to cast their vote.

The Chairman declares that the vote on the authorization of the Management Board for a period of 18 months as of May 4, 2016, subject to the approval of the Supervisory Board, to restrict or exclude the pre-emptive rights accruing to shareholders is closed. The Chairman confirms that the total number of votes received is 14,932,739, of which 8,960,341 votes were cast in favour of the proposal. 5,972,200 votes have been cast against the proposal, 199 votes have abstained from the proposal and there were 2 'no votes'.

The Chairman confirms that the required two-thirds number of votes in favour of the proposal has not been cast and he hereby confirms that the proposal is not adopted.

The Chairman consults with Mr. Ludo Mees and Prof. Martin van Olffen, who inform him that more than 50% of the shares is present at the meeting and therefore a simple majority is sufficient for the proposal to be approved. The Chairman subsequently corrects himself on the outcome of the vote and confirms that the proposal has been adopted.

9.(a) Proposal to authorize the Management Board for a period of 18 months as of May 4, 2016, i.e. up to and including November 3, 2017, subject to the approval of the Supervisory Board, to issue ordinary shares in the Company's share capital and/or grant rights to subscribe for ordinary shares in the Company's share capital up to a maximum of 10% of the Company's issued share capital as per December 31, 2015.

The Chairman proceeds to the proposal to renew the authorization to issue shares and grant options to acquire shares in the Company's share capital for the purpose of mergers, acquisitions and financial support arrangements (relating to the Company and/or participations (deelnemingen) of the Company. An additional matter under this agenda item is the renewal of the authorization to restrict or exclude the pre-emptive rights in relation to such issue.

The renewal of the authorizations provides the Management Board with flexibility in the context of mergers, acquisitions and financial support arrangements and/or participations. The full text of the proposal is shown on the screen.

The Chairman asks if there are any questions regarding this proposal. Since this is not the case, the Chairman firstly puts to a vote: (i) the proposal to issue shares and grant options to acquire shares. The Chairman requests the voting system to be activated. The Chairman instructs the shareholders to press '1' if they wish to vote for the proposal, press '2' if they wish to vote against and press '3' if they wish to abstain.

The Chairman declares the resolution opened and requests shareholders to cast their votes by pressing the button of their choice. The Chairman reminds shareholders that five seconds remain to cast their votes.

The Chairman declares that the vote on the authorization of the Management Board for a period of 18 months as of May 4, 2016, subject to the approval of the Supervisory Board, to issue ordinary shares in the Company's share capital and/or to grant options to acquire shares in the Company's share capital up to a maximum of 10% of the Company's issued share capital as per December 31, 2015 is closed.

The Chairman confirms that the total number of votes received is 14,932,739, of which 14,102,989 votes were cast in favour of the proposal. 829,750 votes have been cast against the proposal, 1 vote has abstained from the proposal and there were 2 'no votes'.

The Chairman confirms that the majority of the votes has been cast in favour of the proposal and he hereby confirms that the proposal is adopted.

9.(b) Proposal to authorize the Management Board for a period of 18 months as of May 4, 2016, i.e. up to and including November 3, 2017, subject to the approval of the Supervisory Board, to restrict or exclude the pre-emptive rights accruing to shareholders upon an issuance as referred to under item 9.(a).

Secondly, the Chairman puts to a vote: (ii) the proposal to restrict or exclude pre-emptive in case of an issuance of shares for the purpose of mergers, acquisitions, strategic alliances and financial support arrangements (relating to the Company and/or participations (deelnemingen) of the Company) to a vote. The Chairman requests the voting system to be activated. The Chairman instructs the shareholders to press '1' if they wish to vote for the proposal, press '2' if they wish to vote against and press '3' if they wish to abstain.

The Chairman declares the resolution opened and requests shareholders to cast their votes by pressing the button of their choice. The Chairman reminds shareholders that five seconds remain to cast their vote.

The Chairman declares that the vote on the authorization of the Management Board for a period of 18 months as of May 4, 2016, subject to the approval of the Supervisory Board, to restrict or exclude pre-emptive in case of an issuance of shares for the purpose of mergers, acquisitions, strategic alliances and financial support arrangements is closed.

The Chairman confirms that the total number of votes received is 14,932,739, of which 8,915,065 votes were cast in favour of the proposal. 6,017,327 votes have been cast against the proposal, 348 votes have abstained from the proposal and there were 2 'no votes'.

The Chairman confirms that the proposal is adopted with the relevant majority.

10. Renewal of the authorization of the Management Board for a period of 18 months as of May 4, 2016, i.e. up to and including November 3, 2017, subject to the approval of the Supervisory Board to acquire shares up to 10% of the Company's issued share capital.

The Chairman proceeds to the renewal of the authorization to acquire shares in the Company's share capital. The full text of the proposal is shown on the screen. This authorization provides the Management Board with the flexibility necessary to manage net equity or to enter into financial support arrangements involving the Company and to respond to any demand for shares in the Company's share capital that may arise at any time. This authorization may, for example, be used if shares need to be acquired to hedge the Company's share and option schemes.

The Chairman asks if there are any questions regarding this proposal. Since this is not the case, the Chairman puts the proposal to a vote and requests the voting system to be activated.

The Chairman instructs the shareholders to press '1' if they wish to vote for the proposal, press '2' if they wish to vote against and press '3' if they wish to abstain.

The Chairman declares the resolution opened and requests shareholders to cast their votes by pressing the button of their choice. The Chairman reminds shareholders that five seconds remain to cast their vote.

The Chairman declares that the vote on the renewal of the authorization to acquire shares is closed.

The Chairman confirms that the total number of votes received is 14,932,739, of which 14,932,541 votes were cast in favour of the proposal. Zero (0) votes have been cast against the proposal, 199 votes have abstained from the proposal and there were 2 'no votes'.

The Chairman confirms that the majority of the votes has been cast in favour of the proposal and he hereby confirms that the proposal is adopted.

11. Any Other Business

The Chairman remarks that the meeting has come to the penultimate item on the agenda and invites the shareholders to ask questions with respect to items that have been previously discussed. There are no further questions.

12. Closing

Before closing the Meeting, the Chairman expresses thanks to all present on behalf of the Management Board and the Supervisory Board for their attendance and contributions to this meeting and he wishes everyone a good trip home. [applause]