



Agenda and Explanatory Notes of the  
Annual General Meeting of Shareholders  
of AMG Advanced Metallurgical Group N.V.

**Wednesday, May 2, 2018 at 13:00 CEST**  
**World Trade Centre (WTC), Strawinskylaan 15, 1077 XW**  
**Amsterdam, the Netherlands**

# Agenda of the Annual General Meeting of Shareholders of AMG Advanced Metallurgical Group N.V. (the “Company”)

Wednesday May 2, 2018 at 13:00 CEST  
World Trade Centre (WTC), Strawinskylaan 15, 1077 XW Amsterdam, the Netherlands

1. **Opening**
- 2.a. **Report of the Management Board for the 2017 financial year including discussion Annual Report 2017 (*discussion item*)**
- 2.b. **Report of the Management Board about Corporate Governance at AMG in view of the new Corporate Governance Code 2016 (*discussion item*)**
- 2.c. **Report of the Remuneration Committee of the Supervisory Board for the 2017 financial year (*discussion item*)**
- 2.d. **Discussion of dividend policy (*discussion item*)**
- 3.a. **Adoption of the 2017 financial statements (*voting item*)**
- 3.b. **Proposal to resolve upon (final) dividend distribution (*voting item*)**
4. **Discharge of liability of the members of the Management Board for the 2017 financial year (*voting item*)**
5. **Discharge of liability of the members of the Supervisory Board for the 2017 financial year (*voting item*)**
6. **Composition of the Management Board**  
Re-appointment of Dr. Heinz Schimmelbusch as Chief Executive Officer and Chairman of the Management Board (*voting item*)
7. **Composition of the Supervisory Board**  
Re-appointment of Dr. Donatella Ceccarelli as member of the Supervisory Board (*voting item*)
8. **Re-appointment of KPMG Accountants N.V. as external auditor of the Company for the financial years 2018 and 2019 (*voting item*)**
9. **Renewal of the authorization to (i) issue shares and/or grant options and (ii) to restrict or exclude the pre-emptive rights for general corporate purposes (*voting items*)**
10. **Renewal of the authorization to (i) issue shares and/or grant options and (ii) to restrict or exclude pre-emptive rights for the purpose of mergers and acquisitions, strategic alliances and financial support arrangements relating to the Company and/or participations (*deelnemingen*) of the Company (*voting items*)**
11. **Renewal of the authorization to acquire shares (*voting item*)**
12. **Any other business (*discussion item*)**
13. **Closing**

# Explanatory Notes

## **to the Agenda for the Annual General Meeting of Shareholders of AMG Advanced Metallurgical Group N.V. (“the Company” or “AMG”) to be held on Wednesday May 2, 2018 at 13:00 CEST**

### **Agenda item 2.a. Report of the Management Board for the 2017 financial year including discussion Annual Report 2017**

This item will include the speech by the Chief Executive Officer and Chairman of the Management Board, who will look back on the 2017 financial year, and will look ahead, explaining the strategy of the AMG Group going forward.

### **Agenda item 2.b. Report of the Management Board about Corporate Governance at AMG in view of the new Corporate Governance Code 2016**

At this item the Management Board will discuss the implementation of the new Corporate Governance Code which became effective on January 1, 2017. Throughout the report of the Management Board as set forth in the Annual Report and Accounts for the year 2017 reference is made to the new principles and provisions of the new Corporate Governance Code, including the chapter about Corporate Governance at AMG, which is also available at AMG's website ([www.amg-nv.com](http://www.amg-nv.com)).

### **Agenda item 2.c. Report of the Remuneration Committee of the Supervisory Board for the 2017 financial year**

In this item the Chairman of the Remuneration Committee will discuss the implementation of the Remuneration Policy for the Management Board during the financial year 2017. Please refer to the Report of the Supervisory Board, including the Remuneration Report 2017 in the Annual Report 2017 for an overview of the remuneration policy and the implementation thereof in the financial year 2017.

### **Agenda item 2.d. Discussion of dividend policy**

In 2017, the Management Board – with the approval of the Supervisory Board – decided to maintain the Company's dividend policy as initially revised in 2015 and continued in 2016.

### **Agenda item 3.a. Adoption of the 2017 financial statements**

Proposal to the General Meeting of Shareholders to adopt the Financial Statements of AMG for the financial year 2017. The Financial Statements for 2017 including explanatory notes were published on the Company's website on March 21, 2018. The Financial Statements have been audited by KPMG Accountants N.V. and were approved by the Supervisory Board in its meeting of March 7, 2018. The Management Board recommends that the Financial Statements for 2017 will be adopted by the General Meeting of Shareholders.

### **Agenda item 3.b. Proposal to resolve upon (final) dividend distribution**

Proposal to the General Meeting of Shareholders to resolve upon a total dividend distribution over the financial year 2017 of EUR 0.28 per ordinary share. As discussed under agenda item 2.d., the dividend policy reflects the Company's strong balance sheet liquidity as well as the confidence that the Management Board has in the long-term ability of the Company to generate a solid cash flow. With this in mind, the Management Board, with the approval of the Supervisory Board, proposes to declare a dividend of EUR 0.28 per ordinary share over the financial year 2017. On August 15, 2017, the interim distribution of EUR 0.14 per ordinary share was paid; this will be deducted from the total dividend distribution making the final dividend EUR 0.14 per ordinary share. The final dividend of EUR 0.14 per ordinary share will be made payable on or around May 15, 2018, to shareholders of record on May 7, 2018. The ex-dividend date will be May 4, 2018. Dutch withholding tax will be deducted from the dividend at a rate of 15%.

#### **Agenda item 4. Discharge of liability of the members of the Management Board for the 2017 financial year**

Proposal to the General Meeting of Shareholders to discharge the members of the Management Board in office during the financial year 2017 from all liability in relation to the exercise of their duties in the financial year 2017, to the extent such exercise is apparent from the financial statements or has been otherwise disclosed to the General Meeting of Shareholders prior to the approval of the financial statements.

#### **Agenda item 5. Discharge of liability of the members of the Supervisory Board for the 2017 financial year**

Proposal to the General Meeting of Shareholders to discharge the members of the Supervisory Board in office during the financial year 2017 from all liability in relation to the exercise of their duties in the financial year 2017, to the extent such exercise is apparent from the financial statements or has been otherwise disclosed to the General Meeting of Shareholders prior to the approval of the financial statements.

#### **Agenda item 6. Composition of the Management Board**

The Supervisory Board has reviewed the respective terms of the three Management Board members who all received high praise at their annual evaluation by the Supervisory Board in November of last year. The term of the CEO and Chairman of the Management Board (Dr. Schimmelbusch) will expire in 2019. The term of the CFO (Mr. Dunckel) will expire in 2020, and the term of the COO (Mr. Jackson) will expire in 2021.

AMG is in a critical phase of its development. The expansion of lithium and tantalum operations in Brazil, as well as the related new credit facilities and continued recognition of AMG as investment opportunity or strategic partner, demand a stable corporate atmosphere with clear continuity in leadership and strategy.

The Supervisory Board evaluates on an ongoing basis the scope and composition of the Management Board and the succession of the members of the Management Board. The Supervisory Board recognizes that in meetings with investors and banks relating to strategic issues for AMG and its business, questions were asked about the leadership continuity.

AMG's current CEO, Dr. Heinz Schimmelbusch, is one of the incorporators of AMG and the intellectual designer of AMG's successful strategy. His appraisals have all been excellent and, where needed, he has demonstrated ample and continuous innovation and agility.

The Supervisory Board has therefore concluded that it is of utmost importance that AMG secure the leadership of Dr. Schimmelbusch for the coming years as CEO and Chairman of the Management Board, given the transformational change the Company is currently executing.

##### *Re-appointment Dr. Heinz Schimmelbusch*

The full curriculum vitae of Dr. Schimmelbusch is available for inspection at the offices of the Company as well as on the Company's website [www.amg-nv.com](http://www.amg-nv.com).

Dr. Schimmelbusch was born in 1944 and has the Austrian nationality. He was appointed as member of the Management Board on November 21, 2006 (Chief Executive Officer and Chairman). He has served in a similar capacity for the businesses and companies comprising AMG Group since 1998. Dr. Schimmelbusch also serves as non-executive Chairman of the Board of various companies, including Allied Resource Corporation (United States), and Chairman of the Supervisory Board of PFW Aerospace (Speyer, Germany). Dr. Schimmelbusch served as Chairman of Metallgesellschaft AG (Germany) from 1989 until he resigned in 1993 and was a board member at a variety of companies including Allianz Versicherung AG, Mobil Oil AG, Teck Corporation and Methanex Corporation. Dr. Schimmelbusch received his graduate degree (with distinction) and his doctorate degree (magna cum laude) in economics from the University of Tübingen, Germany.

Dr. Schimmelbusch holds 765,533 ordinary shares in the Company's share capital as of March 20, 2018.

As a result, the Supervisory Board proposes by way of binding nomination to re-appoint Dr. Heinz Schimmelbusch as CEO and Chairman of the Management Board for an additional two-year term, covering 2020 and 2021, after his current term expires in 2019 after the AGM, to secure AMG's leadership for the next three years and to provide ample time to decide on succession as well as a reasonable induction period for a new incoming CEO.

### **Agenda Item 7. Composition of the Supervisory Board**

At this Annual Meeting, Mr. Norbert Quinkert and Mr. Guy de Selliers will have both served eleven years on the Supervisory Board of AMG as their current terms come to an end. Both gentlemen have indicated that they wish to retire from the Supervisory Board after this Annual Meeting, given other priorities and the term limits for Supervisory Directors under the new Corporate Governance Code. The Supervisory Board is deeply grateful for the long service and dedication to AMG by Messrs. Quinkert and de Selliers.

Before becoming Chairman in 2015, Mr. Quinkert was a long-serving member of AMG's Selection & Appointment Committee and has been a major contributor to the excellent quality of AMG's current leadership team. As Chairman, Mr. Quinkert successfully guided AMG through a challenging period during the past three years.

Mr. de Selliers has served throughout his tenure at AMG as a highly respected member of AMG's Audit & Risk Management Committee and has been an important force in establishing AMG's state of the art risk management system.

The Supervisory Board thanks both gentlemen for their valuable insights and contributions and wishes them well in their future endeavors.

Mr. Robert Meuter has also indicated that he wishes to step down at the AGM 2018 after having served three years. Mr. Meuter feels that his mandate has ended and wishes to prioritize other engagements. The Supervisory Board respects and accepts Mr. Meuter's decision and thanks him for his valuable insights and contributions and wishes him well in his future endeavors. Mr. Meuter will continue to advise the Company on specific banking & finance matters in the forthcoming year, if so requested.

Dr. Donatella Ceccarelli will have served four years on the Supervisory Board at this Annual Meeting and the Supervisory Board is very pleased that Dr. Ceccarelli will make herself available for re-appointment for a term of four years.

Given the retirement of Mr. Quinkert as member and Chairman of the Supervisory Board in May 2018, AMG is pleased to announce that the Supervisory Board has appointed Mr. Jack Messman, currently Vice-Chairman, as successor to Mr. Quinkert as Chairman of the Supervisory Board as of May 2, 2018 after the AGM. Mr. Messman's term as member of the Supervisory Board ends in 2019. The Supervisory Board has further resolved to appoint Mr. Willem van Hassel as Vice-Chairman, as of May 2, 2018 after the AGM, succeeding Mr. Messman. Mr. van Hassel's term as member of the Supervisory Board ends in 2021.

The Supervisory Board has further resolved that it will reduce the size of the Supervisory Board from nine to six members, effective May 2, 2018. The Supervisory Board believes that with its new composition, it will continue to cover the necessary areas of expertise as set forth in AMG's Supervisory Board profile.

#### *Re-appointment Dr. Donatella Ceccarelli*

Dr. Ceccarelli is currently Chairwoman of the Executive Board of the Flick Foundation (*Flick Privatstiftung*) based in Vienna, Austria, where she oversees a dedicated team of asset management professionals to protect and manage the private and personal wealth of the Flick family, and the

assets in the Flick family's private will testament trusts. She develops and leads the execution of asset allocation strategies, risk management and hedging strategies.

From 2008 to 2011 Dr. Ceccarelli worked with Merrill Lynch International Bank Ltd. in Milan, Italy as Global Wealth Management Director. From 2001 to 200 Dr. Ceccarelli was Executive Director at Lehman Brothers International Europe, based in Frankfurt, Germany after she had spent from 1998 to 2001 at Deutsche Bank as Director and Co-Head of cash equity sales Italy and Spain, based in London, UK. Dr. Ceccarelli is a non-executive Board member at GCS Business Capital LLC (Chicago, USA) and holds a degree from the School of Business and Economics from the University of Trieste.

Dr. Ceccarelli currently owns 13,158 shares in the Company's share capital.

The Supervisory Board is pleased to propose by way of binding nomination to re-appoint Dr. Donatella Ceccarelli as member of the Supervisory Board, for the maximum term of four (4) years, with effect from May 2, 2018 until immediately after the Annual Meeting in 2022, in view of her extensive background and experience in the field of equity markets, mergers & acquisitions and risk and asset management, and the way she performs her duties as Supervisory Board member.

**Agenda item 8. Appointment of KPMG Accountants N.V. as external auditor of the Company for the financial years 2018 and 2019**

Proposal to re-appoint KPMG Accountants N.V. as external auditor of the Company for the 2018 and 2019 financial year. KPMG was first appointed as external auditor in 2016 for the financial years 2016 and 2017. The Supervisory Board, upon the recommendation of the Audit & Risk Management Committee and Management Board, has reviewed KPMG's performance and as result has resolved to propose to re-appoint KPMG as external auditor of the Company. The Audit & Risk Management Committee has stated in its recommendation that its recommendation 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.

**Agenda item 9. Renewal of the authorization to (i) issue shares and/or grant options to acquire shares and (ii) to restrict or exclude the pre-emptive rights for general corporate purposes**

- a. Proposal to authorize the Management Board for a period of 18 months as of May 2, 2018, *i.e.*, up to and including November 1, 2019, 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, 2017.
- b. Proposal to authorize the Management Board for a period of 18 months as of May 2, 2018, *i.e.*, up to and including November 1, 2019, 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.

On May 4, 2017, the General Meeting of Shareholders designated the Management Board as the corporate body which, subject to the approval of the Supervisory Board, is authorized to issue shares and grant rights to subscribe for shares, with the right to restrict or exclude pre-emptive rights. The authorization referred to in the previous sentence was restricted to 10% of the Company's issued share capital as per December 31, 2016 and will expire on November 3, 2018. Under this agenda item 9, it is proposed to renew this authorization for a period of 18 months with effect from May 2, 2018, including the right for the Management Board to restrict and/or exclude pre-emptive rights.

The Management Board emphasizes that the authorization to issue shares and/or grant rights to subscribe for shares, combined with the authorization to restrict and/or exclude the pre-emptive rights, provides the Management Board with the flexibility necessary to manage net equity or to enter into financial support arrangements or involving the Company and/or to respond to any demand for shares in the Company's share capital in the context of general corporate purposes that may arise at any time. This authorization as such is therefore of high importance to be able to effect the strategy of AMG.

**Agenda item 10. Renewal of the authorization to (i) issue shares and/or grant options to acquire shares and (ii) to restrict or exclude the pre-emptive rights for the purpose of mergers,**

**acquisitions, strategic alliances and financial support arrangements (relating to the Company and/or participations (*deelnemingen*) of the Company)**

- a. Proposal to authorize the Management Board for a period of 18 months as of May 2, 2018, *i.e.*, up to and including November 1, 2019, 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, 2017,
- b. Proposal to authorize the Management Board for a period of 18 months as of May 2, 2018, *i.e.*, up to and including November 1, 2019, 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 10.a.

On May 4, 2017, the General Meeting of Shareholders designated the Management Board as the corporate body which, subject to the approval of the Supervisory Board, is authorized to issue shares and grant rights to subscribe for shares in connection with or on the occasion of mergers, acquisitions, strategic alliances and financial support arrangements, with the right to restrict or exclude pre-emptive rights. The authorization referred to in the previous sentence was restricted to 10% of the Company's issued share capital as per December 31, 2016, in addition to the authorization to issue 10% of the Company's issued share capital as per December 31, 2016 for general corporate purposes (including share-based compensation plans for employees) as referred to in agenda item 9. Under this agenda item 10, it is proposed to renew this authorization for a period of 18 months with effect from May 2, 2018.

The Management Board emphasizes that the authorization to issue shares and/or grant rights to subscribe for shares, combined with the authorization to restrict and/or exclude the pre-emptive rights, provides the Management Board with the flexibility in financing mergers, acquisitions and financial support arrangements and the necessary tools to respond decisively to emerging business opportunities and is as such of high importance to the ability to implement the strategy of AMG further.

**Agenda item 11. Renewal of the authorization to acquire shares**

Proposal to authorize the Management Board for a period of 18 months as of May 2, 2018, *i.e.*, up to and including November 1, 2019, to acquire, subject to the approval of the Supervisory Board, shares in the Company's share capital up to 10% of the Company's issued share capital at the date of acquisition, at the stock exchange or otherwise, at a price between par value and 110 percent of the average closing price of the Company's shares at Euronext Amsterdam N.V. on the five consecutive trading days immediately preceding the day of purchase by or for the account of the Company.

On May 4, 2017, the General Meeting of Shareholders resolved to authorize the Management Board, subject to the approval of the Supervisory Board, to acquire up to a maximum of 10% of the Company's issued share capital at the date of acquisition at the stock exchange or otherwise, at a price between par value and 110 percent of the average closing price of the Company's shares at Euronext Amsterdam N.V. on the five consecutive trading days immediately preceding the day of purchase by or for the account of the Company. This authorization will expire on November 3, 2018. Under this agenda item 11 it is proposed to renew this authorization for a period of 18 months with effect from May 2, 2018.

The 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.