

AGENDA GENERAL MEETING **AALBERTS INDUSTRIES N.V.**

Scheduled for:

Tuesday 18 April 2017
Start 11.00 am (CEST)

Jaarbeurs Media Plaza
Auditorium
Croeselaan 6
3521 CA Utrecht
The Netherlands

AGENDA GENERAL MEETING

AALBERTS INDUSTRIES N.V.

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Tuesday 18 April 2017
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Jaarbeurs Media Plaza
Auditorium
Croeselaan 6
3521 CA Utrecht
The Netherlands

1. Opening
2. Discussion of the annual report on the financial year 2016 (*discussion*)
3. Financial statements 2016
 - a. Implementation of the remuneration policy for the Management Board (*discussion*)
 - b. Adoption of the company and consolidated financial statements 2016 (*vote*)
4. Dividend
 - a. Discussion of the policy on additions to reserves and dividends (*discussion*)
 - b. Adoption of the dividend for the financial year 2016 (*vote*)
5. Granting of discharge to the members of the Management Board in office in 2016 for the policy pursued in the financial year 2016 (*vote*)
6. Granting of discharge to the members of the Supervisory Board in office in 2016 for the supervision exercised on the policy pursued in the financial year 2016 (*vote*)
7. Appointment of Mrs. M.J. Oudeman as member of the Supervisory Board (*vote*)
8. Remuneration Supervisory Board (*vote*)
9. Appointment of Mr. A.R. Monincx as member of the Management Board (*vote*)
10. Designation of the Management Board as body authorised to issue ordinary shares and to grant rights to subscribe for ordinary shares (*vote*)
11. Designation of the Management Board as body authorised to restrict or exclude pre-emptive rights when issuing ordinary shares (*vote*)
12. Authorisation to repurchase shares (*vote*)
13. Reappointment Deloitte Accountants B.V. as external auditor for the financial year 2018 (*vote*)
14. Announcements and any other business
15. Closing

EXPLANATORY NOTES

AGENDA ITEM 2

Discussion of the annual report (bestuursverslag) on the financial year 2016 (discussion)

The compliance with the Dutch Corporate Governance Code is part of the accountability on the annual report. The external auditor will be present at the meeting in accordance with the Dutch Corporate Governance Code. The shareholders can address questions to the external auditor with regard to his statement on the accuracy of the financial statements.

AGENDA ITEM 3

Financial statements 2016

- Implementation of the remuneration policy for the Management Board (discussion)
- Adoption of the company and consolidated financial statements 2016 (vote)

In accordance with the provisions of Section 2:135 paragraph 5a of the Dutch Civil Code (*Burgerlijk Wetboek*), the implementation of the remuneration policy during the financial year 2016 will be discussed and accounted for. Please refer to the specifications made by Aalberts Industries in the notes to the financial statements (page 93), that are included pursuant to Section 2:383c up to and including 2:383e of the Dutch Civil Code.

AGENDA ITEM 4

Dividend

- Discussion of the policy on additions to reserves and dividends (discussion)
- Adoption of the dividend for the financial year 2016 (vote)

Aalberts Industries has the intention to continue the policy on additions to reserves and dividends of the financial year 2016 and to allocate approximately 70% of the net profit realised before amortisation for further growth and strengthening of the financial position and to distribute approximately 30% to shareholders by means of dividend entirely in cash.

The Management Board, after the prior approval of the Supervisory Board, in accordance with the policy on additions to reserves and dividends, has decided to reserve 70% of the net profit achieved before amortisation for further growth and strengthening of the financial position. The number of shares issued at the end of 2016 was approximately 110.6 million. It is proposed that the dividend for 2016 be set at EUR 0.58 in cash per share with a nominal value of EUR 0.25. This means that Aalberts Industries continues its policy to pay approximately 30% of the realised net profit before amortisation as dividend. This represents an increase of 12% compared to 2015 (EUR 0.52).

AGENDA ITEM 7

Appointment of Mrs. M.J. Oudeman as member of the Supervisory Board (vote)

At the end of the General Meeting Mr. H. (Henk) Scheffers, Supervisory Board member since 2007 and chairman of the Supervisory Board since 2010, shall retire by rotation. Mr. Scheffers will after a period of 10 years no longer be eligible for reappointment.

In accordance with the articles of association of the company, Stichting Prioriteit "Aalberts Industries N.V." has made a nomination for the appointment of Mrs. M.J. (Marjan) Oudeman as member of the Supervisory Board for a period ending after the annual General Meeting in 2021. The knowledge and experience of Mrs. Oudeman are a welcome complement to the Supervisory Board. Mrs. Oudeman has many years of management experience in the European division of Tata Steel Group (at that time named Corus Group), a large international steel producer and served as member of the executive committee of Akzo Nobel, a multinational supplier of paints, coatings and specialty chemicals. Reference is made to the end of these explanatory notes for the personal details of the person nominated for appointment as Supervisory Board member. Mrs. Oudeman is independent, as defined in the Dutch Corporate Governance Code.

AGENDA ITEM 8

Remuneration Supervisory Board (vote)

The remuneration of the members of the Supervisory Board has not been adjusted since 2007. In the last few years the work of the Supervisory Board has expanded considerably in intensity, complexity and time. A benchmark study has been done on the remuneration

of supervisory board members of other Dutch stock listed companies. This benchmark demonstrated that it is reasonable to increase the current remuneration of the members of the Supervisory Board. It is proposed to set the remuneration as follows with effect from 1 April 2017 (in EUR):

	Current	Proposed
Member Supervisory Board	40,000	45,000
Chairman of the Supervisory Board	50,000	60,000
Chairman committee	-	10,000
Member committee	-	5,000

With this proposal the Supervisory Board believes it will be able to continue to recruit and retain expert and experienced members. The remuneration of Supervisory Board members is fixed and not linked to the financial results of Aalberts Industries.

AGENDA ITEM 9

Appointment of Mr. A.R. Moninx as member of the Management Board (vote)

In accordance with the articles of association of the company, Stichting Prioriteit "Aalberts Industries N.V." has made a nomination for the appointment of Mr. A.R. (Arno) Moninx as member of the Management Board with title Executive Director, for a fixed term of four years with effect from 18 April 2017. In the Management Board Mr. Moninx will fulfil the role of Executive Director, with particular responsibility for Business Development | M&A and several Industrial Controls activities. Reference is made to the end of these explanatory notes for the personal details of the person nominated for appointment as Management Board member.

AGENDA ITEM 10

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

It is proposed that the Management Board be designated as the body that, after approval of the Stichting Prioriteit "Aalberts Industries N.V.", is authorised to issue ordinary shares, including the granting of rights to subscribe for ordinary shares. This authorisation has been granted until 19 October 2017 and will be extended until 18 October 2018. The authorisation and its extension are valid for a maximum of ten percent (10%) of the issued share capital at the time of issuing.

AGENDA ITEM 11

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

It is proposed that the Management Board be designated as the body that, after approval of Stichting Prioriteit "Aalberts Industries N.V.", is authorised to restrict or exclude pre-emptive rights of existing shareholders in the case of issuing ordinary shares, including the granting of rights to subscribe for ordinary shares. This authorisation has been granted until 19 October 2017 and will be extended until 18 October 2018.

AGENDA ITEM 12

Authorisation to repurchase shares (vote)

In accordance with the articles of association, it is proposed that the Management Board, on behalf of the company, be authorised to repurchase the company's own ordinary shares up to a maximum of ten percent (10%) of the issued share capital, other than for no consideration. This authorisation has been granted until 19 October 2017 and will be extended until 18 October 2018. Pursuant to the authorisation, the company will be able to acquire ordinary shares via any agreement, including stock market and private transactions, for a price not exceeding 110% of the average price at which the shares are traded on the market during the five trading days prior to the day of acquisition according to the Euronext Amsterdam Official Pricelist (*Euronext Amsterdam Officiële Prijscourant*).

AGENDA ITEM 13

Reappointment Deloitte Accountants B.V. as external auditor for the financial year 2018 (vote)

It is proposed to reappoint Deloitte Accountants B.V. as external auditor for the next financial year 2018.

PERSONAL DETAILS OF THE PERSON NOMINATED FOR APPOINTMENT AS SUPERVISORY BOARD MEMBER:

APPOINTMENT

Mrs. **M.J. (Marjan) Oudeman** (1958)

Relevant previous functions:

Member of the executive committee Corus Group (nowadays Tata Steel Group)
Member of the executive committee Akzo Nobel N.V.

Current relevant (additional) functions:

President of the Executive Board Universiteit Utrecht
Member of the Supervisory Board Statoil ASA
Member of the Supervisory Board SHV Holdings N.V.
Member of the Supervisory Board Solvay SA

Nationality:

Dutch

Reason appointment:

- Broad management experience in various multinationals
- Broad operational experience
- Knowledge of industrial markets
- Good fit with profile Supervisory Board

Number of shares held in the capital of Aalberts Industries N.V. 0

PERSONAL DETAILS OF THE PERSON NOMINATED FOR APPOINTMENT AS MANAGEMENT BOARD MEMBER:

APPOINTMENT

Mr. **A.R. (Arno) Moninx** (1967)

Current function:

Executive Director at Aalberts Industries N.V. responsible for Business Development | M&A and several Industrial Controls activities

Relevant previous functions:

Business Development Director at Aalberts Industries N.V. (2011 to 2014)
Financial Director Flow Control N&E Europe, a division of Aalberts Industries N.V. (2008 to 2011)
Vice President Finance Cadillac Corvette Hummer Europe (2003 to 2007)
Financial Director Van Mossel Groep (1999 to 2003)

Nationality:

Dutch

Number of shares held in the capital of Aalberts Industries N.V. 3,475

An engagement contract will be entered into with Mr. A.R. Moninx for a definite period starting on 18 April 2017 and ending on 18 April 2021. With effect from 1 May 2017, Mr Moninx will receive an annual salary of EUR 360,000. He will also be eligible for a variable remuneration with achieving predetermined targets, which include earnings per share before amortisation, Free Cash Flow, organic revenue growth and individual (non-financial) performance criteria.

The Supervisory Board sets these targets at the beginning of each financial year. The variable remuneration package is based on performance to an important extent and, if the targets are achieved, can add a maximum of 75% to the basic salary. The number of conditional performance shares (Performance Share Plan 2015 to 2017), granted in 2015 amounted to 10,000 shares. For more information about the conditional granting of shares to directors and group directors, please refer to page 75 of the Annual Report 2016.

REGISTRATION DATE

Persons registered in one of the registers designated for this purpose by the Supervisory Board and Management Board as shareholders of Aalberts Industries N.V. on 21 March 2017, after close of trading and processing of all settlements (the "Record Date"), and who are registered in the manner described below, are entitled to vote and attend the meeting. For holders of shares that are traded via the giro-based securities transfer system, the administration of the intermediaries (the "Intermediary") as defined in the Dutch Securities Giro Act (*Wet giraal effectenverkeer*) are designated as register.

Shareholders who wish to attend the meeting are required to notify ABN AMRO Bank N.V. through their Intermediary. Notification via the Intermediary can take place with effect from 22 March 2017, but no later than 17:00 hours (CEST) on 11 April 2017. Shareholders can also register themselves via www.abnamro.com/evoting. In all circumstances, the Intermediary will need to issue a statement to ABN AMRO Bank N.V. via www.abnamro.com/intermediary, no later than 11:00 hours (CEST) on 12 April 2017, stating that the shares were registered in the name of the holder thereof on the Record Date whereupon the holder will receive a proof of registration which will also serve as an admission ticket for the meeting. In addition, the Intermediaries are requested to include the full address details of the relevant ultimate beneficial holders in order to be able to verify the shareholding on the Record Date in an efficient manner.

Shareholders can also grant a proxy and issue their voting instruction online until 11 April 2017 before 17:30 hours (CEST) via www.abnamro.com/evoting.

The agenda with explanatory notes, the annual report and financial statements for 2016 and the information regarding the persons to be appointed, are available for inspection at the offices of the company and are available on request free of charge from the company (e-mail: info@aalberts.com), as well as from:

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