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AGENDA

GENERAL MEETING OF SHAREHOLDERS OF KENDRION N.V.

1. Opening
2.
 - a. Report of the Executive Board on the developments in 2014 (discussion)
 - b. Remuneration Report of 2014 (discussion)
3. Adoption of the 2014 financial statements (resolution)
4. Dividend distribution (resolution)
5. Granting discharge to the members of the Executive Board for their management of the Company in 2014 (resolution)
6. Granting discharge to the members of the Supervisory Board for their supervision of the management of the Company in 2014 (resolution)
7. Reappointment of Mr R.L. de Bakker as member of the Supervisory Board of Kendrion N.V. (resolution)
8. Appointment of Deloitte as external auditor of Kendrion N.V. (resolution)
9.
 - a. Authorisation of the Executive Board to issue shares or grant rights to acquire shares (resolution)
 - b. Authorisation of the Executive Board to restrict or suspend pre-emptive rights (resolution)
10. Authorisation of the Executive Board to repurchase shares in the Company (resolution)
11. Any other business
12. Adjournment

To be held on:
Monday, 13 April 2015
14:30 hours
Hotel Theater Figi
Het Rond 2
3701 HS Zeist
The Netherlands
www.figi.nl

Record date:
Monday, 16 March 2015

Applications:
No later than
Tuesday, 7 April 2015
17:00 hours



Shareholders' circular

General Meeting of Shareholders of Kendrion N.V. ('the Company')
Monday, 13 April 2015

■ Note to agenda item 2.a (report of the Executive Board, discussion)

The Executive Board will give an explanation of the operations and developments of Kendrion, its divisions and business units in 2014.

■ Note to agenda item 2.b (Remuneration Report of 2014, discussion)

The manner in which the remuneration policy for the Executive Board was implemented in 2014 will be discussed by the General Meeting of Shareholders. The Supervisory Board's Remuneration Report 2014 contains the relevant information. This Remuneration Report has been published on Kendrion's website.

■ Note to agenda item 3 (adoption of the 2014 financial statements, resolution)

Following a discussion, shareholders will be invited to adopt the 2014 financial statements.

■ Note to agenda item 4 (dividend distribution, resolution)

Kendrion endeavours to realise an attractive return for shareholders, supported by a suitable dividend policy. At the same time, the Company needs to retain a healthy financial position to provide the necessary assurances for its continuity. When determining the dividend to be distributed to shareholders it is necessary to give consideration to the amount of profit that needs to be retained to support the medium and long-term strategic plans of the company and maintain a minimum solvency ratio of 35%. Kendrion strives to distribute an annual dividend of between 35-50% of the net profit. In principle, Kendrion offers shareholders an opportunity to opt for dividend in cash and/or in the form of ordinary shares in Kendrion N.V.'s capital.

The Executive Board proposes, with the approval of the Supervisory Board, that a dividend be paid of 50% of the net profit for 2014. The total dividend amounts to EUR 0.78 per share entitled to dividend. It is proposed that the total dividend be paid, at the shareholder's discretion, in cash and/or in ordinary shares, and be

charged to the share premium reserve. The ex-dividend date is 15 April 2015 and the Record date is 16 April 2015. The share dividend will be set on 5 May 2015 (before start of trading), on the basis of the volume-weighted average price of all Kendrion shares traded on 27, 28, 29 and 30 April and 4 May 2015, and at a level whereby the value of the dividend in shares will be virtually equal to the cash dividend. The period for shareholders to elect share and/or cash dividend runs from 17 April 2015 until 15:00 hours on 4 May 2015. The cash dividend will be made payable and the share dividend will be delivered on 7 May 2015.

The remaining amount of the net profit for the financial year 2014 will be added to the general reserves.

■ Note to agenda item 5 (discharge of the members of the Executive Board, resolution)

Shareholders will be invited to grant discharge to the members of the Executive Board for their management of the Company in 2014.

■ Note to agenda item 6 (discharge of the members of the Supervisory Board, resolution)

Shareholders will be invited to grant discharge to the members of the Supervisory Board for their supervision of the management of the Company in 2014.

■ Note to agenda item 7 (reappointment of Mr R.L. de Bakker as member of the Supervisory Board, resolution)

Mr De Bakker was appointed a member of the Supervisory Board during the Extraordinary General Meeting of Shareholders held in June 2005 for a two-year term until 2007. In 2007, Mr De Bakker was reappointed for a four-year term until 2011 and in the General Meeting of Shareholders of 2011 for a further period until 2015. Consequently, pursuant to the current rotation schedule,

Mr De Bakker will step down as member of the Supervisory Board after the General Meeting of Shareholders to be held on Monday, 13 April 2015.

The Supervisory Board recommends that the General Meeting of Shareholders reappoint Mr De Bakker as a member of the Supervisory Board for a further two-year term. This recommendation is due in part to the thorough manner in which Mr De Bakker has performed his duties as Vice-Chairman of the Supervisory Board and as Chairman of the Audit Committee, but also comes as a result of the planned resignation of the CEO in 2015. The reason for the proposed two-year term is the fact that Mr De Bakker has already served ten years in the post and that the Netherlands Corporate Governance Code lays down as best practice a maximum term of twelve years in total. The reappointment of Mr De Bakker for a two-year period will mean that the terms of appointment of three members of the Supervisory Board will expire in 2017. The other two members can, however, be reappointed. The Supervisory Board will consider later this year to what extent the rotation schedule and appointment scheme can be optimised to ensure continuity.

Mr De Bakker (64) is Chairman of the Supervisory Board of WCC B.V. He is also a member of the Board of a number of investment companies based in the Netherlands, a member of the Board of the Tom-Tom Continuity Foundation, Chairman of the Supervisory Board of the Florence Zorg Foundation and a member of the Board of the Save the Children Nederland Foundation. He was formerly Chief Financial Officer and member of the Executive Board of ASM International N.V. Mr De Bakker is a Dutch national. He does not possess any shares in Kendrion.

■ **Note to agenda item 8 (appointment of Deloitte as external auditor of Kendrion N.V., resolution)**

KPMG Accountants N.V. ('KPMG') was appointed Kendrion's auditor in 2005 and reappointed by the General Meeting of Shareholders in 2009 and 2012. Legislation prescribes the rotation of audit firms after a maximum of eight years, whereby a transitional period of

three years is permitted. Kendrion began preparations for the transfer to a new auditor during the course of 2014. The General Meeting of Shareholders held on 14 April 2014 appointed KPMG as auditor for a one-year period covering the 2014 financial year. As announced on 21 August 2014, the Supervisory Board, following recommendations from the Audit Committee and the Executive Board and after a careful and thorough selection process, now submits a proposal to the General Meeting of Shareholders for the appointment of Deloitte, a member of Deloitte Touche Tohmatsu Limited, as the company's new external audit firm for a term of three years (for the 2015 to 2017 financial years).

■ **Note to agenda item 9.a (authorisation of the Executive Board to issue shares or grant rights to acquire shares, resolution)**

It is proposed that the Executive Board is designated as the authorised body to issue shares or grant rights to acquire shares for a period of 18 months, consequently until 13 October 2016. This relates to an option that is expressly provided for by law and integrated in Kendrion's Articles of Association. This authority relates to a maximum of 10% of the Company's issued share capital at the time of the General Meeting of Shareholders to be held on 13 April 2015, augmented by the number of shares to be issued on the basis of the existing share plan for key management as detailed in the Annual Report.

■ **Note to agenda item 9.b (authorisation of the Executive Board to restrict or suspend pre-emptive rights, resolution)**

It is proposed that the Executive Board is designated as the authorised body to restrict or suspend pre-emptive rights at the occasion of issuance of shares or granting of rights to acquire shares for a period of 18 months, consequently until 13 October 2016. This relates to an option that is provided for by law and integrated in Kendrion's Articles of Association.

The Executive Board shall exercise the powers as referred to under 9.a and 9.b solely in those instances in which this is of material importance to the continuity of the Company or which result in Kendrion's strategic enhancement. These powers allow the Company to respond promptly to developments. The Supervisory Board shall also need to grant approval for the exercising of these powers. On the Executive Board's designation as the

aforementioned body the previous designation by the General Meeting of Shareholders expiring on 14 October 2015 shall be deemed to have been withdrawn.

■ **Note to agenda item 10 (authorisation of the Executive Board to repurchase shares in the Company, resolution)**

It is proposed that the Executive Board be authorised for a period of 18 months, consequently until 13 October 2016, to acquire shares in Kendrion N.V., for Kendrion's account and within the limits prescribed by Kendrion's Articles of Association and the statutory provisions, of an amount to a maximum of 10% of the issued share capital at the time of the General Meeting of Shareholders to be held on 13 April 2015, either by purchase on the stock exchange or otherwise, at a price that does not exceed 110% of the opening price quoted on the Euronext Amsterdam on the day of the purchase of the shares or, in the absence of an opening price, the most recent price quoted on the stock exchange. Decisions made by the Executive Board to repurchase shares require the approval of the Supervisory Board. On the Executive Board's designation as the aforementioned body the previous designation by the General Meeting of Shareholders expiring on 14 October 2015 shall be deemed to have been withdrawn.

■ **Record date**

The persons who have the right to vote and the right to attend the meeting are those persons who are entitled to shares in Kendrion N.V. on Monday, 16 March 2015 as registered in the sub-registers formed by the intermediaries as defined in the Securities Giro Act or, for those persons holding registered shares, who are registered in the shareholders register of the Company on that date.

■ **Attendance of the meeting**

Holders of bearer shares who wish to attend the meeting may apply in writing by no later than 17:00 hours on Tuesday, 7 April 2015 via www.abnamro.com/evoting or direct to the intermediaries at which their shares are administered. The intermediaries are to provide ABN AMRO no later than 17:00 hours on Wednesday, 8 April 2015 via www.abnamro.com/intermediary with an electronic statement that includes the number of shares held on the Record date by the shareholder concerned and which have been applied for registration. With the application intermediaries are requested to include the full address details of the relevant shareholders in order to be able to verify the shareholding on the Record date in an efficient manner.

Holders of registered shares who wish to attend the meeting may apply via www.abnamro.com/evoting until Tuesday, 7 April 2015 (17:00 hours) at the latest.

■ **Proxies**

Shareholders unable to attend the meeting in person can grant a proxy, either in writing or by electronic means, to a third party to vote on the shareholder's behalf at the meeting. Shareholders granting proxy will need to have registered their shares before the meeting. Shareholders can issue their voting instructions, by electronic means, on www.abnamro.com/evoting by no later than 17:00 hours on Tuesday, 7 April 2015. Model proxy forms for written voting instructions are available at Kendrion N.V.'s office and on its website (www.kendrion.com) free of charge. Issued proxies must be in the possession of the proxy holder, with a copy (by post, fax or email) to the Secretary of Kendrion N.V. by no later than 17:00 hours on Tuesday, 7 April 2015.

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