

**MINUTES ANNUAL GENERAL MEETING OF AVANTIUM N.V.**

**Date: 15 May 2019**

Minutes of the annual general meeting of **Avantium N.V.**, a public company (*naamloze vennootschap*) under the laws of the Netherlands, having its official seat in Amsterdam, the Netherlands, and its principal place of business at Zekeringstraat 29, 1014 BV Amsterdam, the Netherlands (**Avantium**), held at Euronext Amsterdam, Beursplein 5, 1012 JW Amsterdam, the Netherlands, on Wednesday 15 May 2019 at 9.30 am CET (**Meeting**).

Chairperson : Mr. C. Verhaar (chairperson of Avantium's supervisory board)

Secretary : Mrs. C. Portocarero (Avantium's general counsel)

**1. Opening**

The Chairperson opens the Meeting at 9.30 AM CET, welcomes the attendants and highlights the course of events of the Meeting. The Chairperson commences with the formalities before moving forward with the discussion of the agenda items.

The Chairperson states that Avantium's management board (**Management Board**), Messrs. Van Aken and Roerink, is present. Those members present on behalf of Avantium's supervisory board (**Supervisory Board**) are Mr. Verhaar, Mrs. Kleinsman, Mr. Lucquin and Mrs. Reijnen. Absent is: Mr. Wolfson. Furthermore, Mr. van Meijel, partner PricewaterhouseCoopers Accountants N.V. (**PwC**), and Mr. Mos, partner Lexence N.V., are present. Mrs. Portocarero shall act as the secretary of the Meeting.

The Chairperson communicates that the Meeting will be held in English. Shareholders may ask their questions in English or Dutch, and questions will be summarised and repeated in English. Responses will be given in English. If needed, further elaborations in Dutch will be given. The Chairperson asks the attendants to turn off their mobile phones and recalls that it is not allowed to make audio or video recording of the Meeting.

The agenda for the Meeting is included in the convocation notice for this Meeting and the relevant documentation for this Meeting has been published and made available as per the legal requirements. The Meeting has been called by means of an announcement that has been posted on Avantium's website on 3 April 2019. The Chairperson notes that all legal requirements to call the Meeting are complied with, and that the Meeting is therefore authorised to take decisions with respect to the items stated in the agenda.

The Chairperson confirms that on the record date, 25,805,381 ordinary shares in the capital of Avantium were issued. At the date of the Meeting, this number of shares at issuance and corresponding number of votes has not changed. At the Meeting, 55% of the issued and outstanding capital of Avantium is present or represented, in total entitled to cast 14,209,917 votes. The total number of votes to be casted at the Meeting is 3,133,982

and Avantium received voting instructions for 11,075,935 of the votes, all in favor of all voting items of the agenda.

The Chairperson continues that minutes will be made of the proceedings of the Meeting, for which purpose an audio recording will be made. A draft of the minutes of the Meeting will be made available on the website within three months from today. Shareholders who wish to respond to the draft minutes may do so within three months from the date of publication. After that period, the minutes will be adopted in accordance with Avantium's articles of association. The exact voting results will be published on Avantium's website within fifteen days from today. In order to ensure that everyone in the audience gets the opportunity to participate in the discussion and to support the efficient answering of questions, the Chairperson requests those persons that wish to speak about the items that are put forward for discussion to be concise and to ask no more than three questions in one go, and then move on to the next person. In order to ensure the accuracy and completeness of the minutes of the Meeting, the Chairperson furthermore requests those persons who wish to address the Meeting, to clearly state their name and if applicable, the name of the party they represent.

The Chairperson proposes and subsequently resolves that voting shall take place by means of acclamation, which means that shareholders present or represented will be asked on a voting item whether they agree (tacit agreement or raising hands).

The Chairperson further states that the Management Board has not received any proposals from shareholders to address any other items than the items that have been included in the convocation notice of the Meeting.

## **2. Report of the Management Board for financial year 2018**

The Chairperson raises agenda item 2: the report of the Management Board for the financial year 2018. The Chairperson gives the floor to Mr. van Aken, Avantium's CEO, to elaborate on the report of the Management Board.

Mr. Van Aken highlights the relevant items, along the lines of, and all as included in the presentation in respect of this Meeting, a copy of which is published on Avantium's website. The financial results for 2018 are clarified by Mr. Roerink, Avantium's CFO.

The Chairperson thanks Mr. Van Aken for his presentation and opens the floor for all shareholders and those who have been given proxy rights and other persons entitled to attend the Meeting, to ask questions or to make comments.

Mr. Van Rappard's first question is what happens with PEF when it ends up in the ocean. Mr. Van Aken responds that it is Avantium's intent that PEF products get collected and recycled, so that it can be used again as a raw material for making new products. Avantium is currently investigating to see what the fate of the product is if it ends up in nature. Avantium has initial data that shows that the degradation process of PEF goes significantly faster than fossil-based materials such as PET.

Mr. Van Aken makes clear that Avantium is not positioning PEF as a biodegradable product. Avantium focuses on PEF products and applications, such as soda or beer bottles, where recycling is a key feature. Such products need to be stored for a longer time, so degrading is not desired from the perspective of product integrity and contamination of the beverages. On basis of Avantium's current knowledge, PEF meets the requirements of brand owners to use PEF for packaging of food and beverage products as well as for recycling of packaging materials.

Mr. Van Rappard subsequently asks how many patents Avantium holds, to which Mr. Roerink replies that the total number of patents held by Avantium in 2018 is 79. Avantium also filed 10 new patent applications in 2018, and 15 patent applications were granted in 2018. Mr. Van Roerink refers to page 22 of Avantium's annual report, which contains a full overview of all the patents held by Avantium in 2018, excluding Synvina.

To Mr. Van Rappard's next question what the total costs spent by Avantium on maintaining its patent portfolio are, Mr. Roerink responds that Avantium spent close to EUR 2,000,000 on patent maintenance, patent filing and patent protection. Mr. Roerink underlines that Avantium takes the maintenance and protection of its patent portfolio very seriously as this is a key element for protecting the value of a technology company.

Mr. Van Rappard also asks when the last time was that an external party carefully looked at Avantium's patent portfolio. Mr. Roerink indicates that when Avantium entered into the joint venture with BASF, BASF undertook a comprehensive and very detailed review of Avantium's patent portfolio. The same has occurred in the past when new investors joined Avantium and conducted their own due diligence. Over the years, there were extensive external reviews of Avantium's patent portfolio in 2011, 2014, 2016 and as part of the IPO-process in 2017.

Mr. Van Rappard's final question is what the actual trigger was for BASF to exit the joint venture. The Chairperson expresses that it is understandable that this question is posed, but also explains that Avantium has strict confidentiality arrangements with BASF with respect to the settlement. Avantium therefore cannot make any statements regarding this. The Chairperson asks Mr. Van Rappard for his understanding in this respect.

Mr. Swinkels wonders whether Avantium is talking to other partners now that BASF has exited the joint venture. Mr. Van Aken clarifies that Avantium is talking to other partners. Avantium is determined to deploy its YXY-technology and is looking how to most effectively bring the technology to the market. More details on this will be communicated during Avantium's Technology & Markets Day on June 6, 2019, for which all shareholders are cordially invited.

Mr. Swinkels further notes that he would like to see more frequent and direct communications and interactions between Avantium and its shareholders. Mr. Van Aken emphasises that Avantium intends to have transparent communications with all of its shareholders. For this reason, Avantium has also appointed a Director Communications.

Mr. Swinkels' last question relates to the timing of the Meeting. He asks whether next year's annual general meeting could take place one hour later. The Chairperson responds that this request will be duly noted and explains that it is very difficult to schedule meetings at a time that most suits everyone. For instance, at the current location, it can either be scheduled in the morning or in the afternoon.

Mr. Snoeker asks if Avantium is already expecting revenues to be generated, given that the YXY technology is in the commercialisation phase, and if this is indeed what Avantium pursues with a partner. Mr. Van Aken answers that Avantium has completed the development phase of the YXY technology and is now preparing the commercialisation phase. As part of the commercialisation, a new commercial scale plant will have to be constructed, which will take a few years. In 2019 or perhaps the years thereafter, Avantium does not expect ongoing revenues from a commercial scale plant until such plant is constructed and comes on stream. That does not mean that Avantium will not have any revenues. Avantium is selling PEF samples from its pilot plant in Geleen through which Avantium will generate limited income. In terms of partnership contributions, Mr. Van Aken observes that Avantium is currently in discussions with partners.

Mr. Tse would like to better understand what happened between the delay issue of the joint venture Synvina at the beginning of 2018 and BASF's exit of the joint venture at the end of 2018. He asks why Avantium did not have a plan B in case BASF would exit the joint venture. The Chairperson points out that Avantium is limited in its ability to provide information about the separation. He will nevertheless ask Mr. Van Aken to respond to the question within the boundaries of Avantium's strict confidentiality arrangements with BASF and kindly asks Mr. Tse to accept and respect Mr. Van Aken's response. Mr. Van Aken responds that at the beginning of 2018, Avantium announced a 24-36 months delay of the investment decision for building a large-scale plant, that was related to the technology to produce FDCA. There were issues related to the FDCA purification process, to resolve on pilot scale before Avantium and BASF could go to the investment decision to build a large-scale commercial plant. These purification issues were successfully resolved ahead of time. The exit of BASF was caused by a difference of opinion on the commercialisation strategy, in other words how to best bring the product to the market. The delay of the investment decision and the exit of BASF were not related. Mr. Van Aken underlines that the flexibility Avantium now has will ultimately help Avantium to successfully bring the product to the market with partners through the value chain.

Mr. Tse's second question concerns the market potential of Avantium's Dawn™ technology. He would like to know what the source is of the sugar demand number of 400 million ton in 2050 as included in today's presentation of the Management Board. Mr. Roerink replies that it is based on the annual production numbers of the sugar industry. He refers to the bioplastics demands as projected by the Nova-Institute. The source of the sugar production number of 190 million ton in 2019 is the 'Sugar: World Markets and Trade' report that was issued in November 2018 by the U.S. Department of Agriculture.

On Mr. Groen's question whether, and if so, when Avantium will proceed with the plan to build a production facility in Antwerp, Mr. Van Aken answers that the idea to build a 50kta FDCA plant at BASF's site in Antwerp was part of the joint venture plan with BASF. With BASF's exit of the joint venture, the plant will not be built at BASF's site in Antwerp. Avantium cannot disclose now where the plant will be built. The timing of the site selection will be further discussed during Avantium's Technology & Markets Day on June 6, 2019. Governments in other regions have come with financial proposals to see if Avantium is willing to build the plant on a different location. Avantium is currently in negotiations with partners and governments in various regions. Mr. Van Aken points out that the construction of the envisaged plant in Antwerp had not yet started, that only the engineering documentation of the plant was prepared, which knowledge is now part of Avantium's knowhow.

Mr. Molenaar queries what the scenarios are when looking five years ahead. Mr. Roerink states that Avantium will not make any forward-looking statements. Avantium does have a longer-term outlook that contains a number of elements in Avantium's technology portfolio. Avantium's ambition at the IPO was to obtain the funding to bring the YXY-technology to commercialisation and to build a pilot plant for the Dawn™ technology and one for the Mekong technology. It was not Avantium's intent to obtain funding to build commercial scale plants for these two technologies and Avantium has not yet reached that stage. Mr. Roerink refers to the presentation of the Management Board on how Avantium can commercialise its technologies, where Avantium first needs to establish the value of each proposition, followed by the necessary funding. The funding could either be provided by Avantium, or acquired through a partner. Mr. Roerink concludes that it is difficult to project what kind of funding requirements Avantium will have in the future, as this depends on the various scenarios on how it will commercialise its different technologies.

Mr. Molenaar continues by stating that this is probably the reason why it is so difficult to determine the value of Avantium's share. The Chairperson's answer to this is that the value of Avantium's share is determined at the market place. Avantium has no control over that, but respects shareholders interest in how the share price develops.

Mr. Van Rappard would like to know what happened to the biodiesel program where Avantium was focusing on in the past and based its earlier IPO effort on in 2007. Mr. Van Aken responds that at that time investors had better understanding of biofuels than biomaterials. After Avantium decided to pull back the IPO in 2007, Avantium was one of the first companies that switched its focus to higher value biomaterials. Many companies in the industry came many years later to the same conclusion. Avantium has no plan to change its strategy again. Developing and bringing a new breakthrough biomaterial like PEF to the market perhaps happens every ten to twenty years. Mr. Van Aken concludes by noting that Avantium has to find a different way to bring the YXY technology to the market, but does not see any reason to change to a different product or technology.

Mr. Van Rappard moves on to ask about the value on the balance sheet of the biodiesel activities in 2007. The Chairperson thanks Mr. Van Rappard for his question and proposes that Mr. Roerink follows up in the next agenda item.

Mr. Swinkels requests for a further clarification on how the impairment loss has been determined and on BASF's reason to exit the joint venture. The Chairperson reiterates that Avantium cannot make any statements on BASF's exit of the joint venture. With regard to the impairment, the Chairperson notes that this aspect will be further discussed in the course of this Meeting and that there will be opportunity to ask the auditor questions on this.

The Chairperson thanks everyone for the questions raised and concludes this agenda item.

### **3. Annual Accounts 2018**

#### **(a) Implementation of the Management Board remuneration policy in financial year 2018**

The Chairperson continues with agenda item 3 (a): the implementation of Avantium's Management Board remuneration policy in the financial year 2018. The Chairperson gives the floor to Mrs. Reijnen, chairperson of the remuneration committee.

Mrs. Reijnen explains that this agenda item relates to the discussion on the implementation of the remuneration policy in 2018, in accordance with article 2:135, paragraph 5a of the Dutch Civil Code.

The remuneration report describes Avantium's remuneration policy and the actual remuneration paid to the members of the Management Board in 2018. This is published on Avantium's website and outlined in the 2018 Financial Statements on pages 40-44.

The remuneration and the individual contracts of the members of the Management Board are determined by the Supervisory Board. The Supervisory Board makes these determinations within the framework of the remuneration policy, which policy was first adopted by the general meeting in February 2017.

The Supervisory Board is responsible for ensuring that the remuneration policy and its implementation are aligned with Avantium's objectives. For an innovative company of the nature of Avantium it is very important to attract, motivate and retain highly qualified executives and reward members of the Management Board with (i) a balanced and competitive remuneration package that is focused on (ii) sustainable results and is aligned with Avantium's long-term strategy.

Both the policy itself and the checks and balances applied in its execution are designed to avoid incidents where members of the Management Board act in their own interest, take risks that are not in line with Avantium's strategy and risk appetite, or where remuneration levels cannot be justified in any given circumstance. As a result, this is taken into account by the Supervisory Board when determining the overall remuneration.

In this context, Mrs. Reijnen notes that 2018 was a difficult year for Avantium. Avantium's management team therefore collectively decided to abstain from its bonus in cash and investment shares over 2018. The Supervisory Board welcomed and endorsed this decision. By abstaining from a bonus, the management team aligns with the shareholders given the extraordinary situation whereby Avantium's most important strategic partner decided to exit the joint venture.

Mrs. Reijnen concludes with the remuneration policy of the financial year 2019: no changes in the remuneration policy are currently foreseen.

The Chairperson notes that there are no questions or comments from the shareholders concerning this agenda item.

**(b) Adoption of the annual accounts 2018**

The Chairperson proceeds with agenda item 3 (b): the adoption of the annual accounts 2018, which is the first voting item.

On 27 March 2019, the Management Board members and the Supervisory Board members signed the annual accounts 2018 drawn up by the Management Board. The annual accounts were published on 27 March 2019. The annual accounts and the notes thereto, together with the approving auditor's report, have been made available for inspection.

The Chairperson invites Mr. Meijel from PwC to provide additional information on the scope of the audit appointment, the materiality of the audit and the key audit findings of PwC.

Mr. Meijel starts with stating that PwC has issued an unqualified auditors' report, as disclosed on pages 93-103 of the annual report. The materiality is around EUR 260,000, which is 2% of the adjusted result before income tax. This is a relatively low percentage, since the normal benchmark is 5%. All the special events, being the BASF exit notice and the impairments in Synvina, have been taken out. Otherwise, the materiality would significantly increase. Every adjustment greater than EUR 13,000 was reported to the audit committee. A low threshold has been applied, which will be evaluated again by PwC for 2019.

With respect to the scope of the audit, Mr. Meijel elaborates on the following components:

- The Avantium group consisting of the operational activities in Amsterdam, together with the head-office function. PwC conducted its group audit procedures on the head-office function and operational activities in Amsterdam.
- The joint venture Synvina, which is formally separated from Avantium and has a separate auditor, but PwC instructed KPMG, the auditor of the joint venture, to audit the joint venture Synvina, and has been closely involved given its size and materiality to Avantium.

- The key audit matters concerned (i) the impact of BASF's exit notice of the joint venture Synvina, (ii) the revenue recognition, and (iii) capitalisation of research and development expenses.

Ad (i), Mr. Meijel clarifies that the discussions on this item resulted in three main positions taken by the Management Board and concurred by PwC, being: (a) the assessment of control over Synvina, where the Management Board and PwC agreed that the notice itself does not yet constitute a change of control, the change of control occurred in 2019; (b) the valuation of the joint venture Synvina, where KPMG, PwC and the Management Board agreed that the probability of the business case substantially decreased due to BASF's exit, hence there was no reason to keep the intangible on the balance sheet; and (c) the original contract and settlement made in respect of BASF's exit, where the Management Board and PwC jointly concluded that it was a buy-back under the existing joint venture agreement rather than an acquisition. The impairment test applied by the Management Board resulted in an onerous contract and an obligation to pay.

Ad (iii), Mr. Meijel refers to page 55, note 2.6 of the financial statements. Avantium applies in line with IFRS six strict criteria that need to be met before such expenses can be capitalised. The result is that no such expenses are capitalised, since not all criteria are met yet. Mr. Meijel notes that this answers Mr. Swinkel's earlier question on how Avantium deals with research and development expenses.

Mr. Meijel thanks Avantium and its shareholders for giving him the opportunity to serve as the company's audit partner for the past five years.

After having thanked Mr. Meijel for his presentation, the Chairperson opens the floor for shareholders to ask questions or make comments.

Mr. Tse raises the question who the successor of Mr. Meijel will be. The Chairperson responds that the appointment of the auditor is later on the agenda.

Mr. Roerink comes back to Mr. Van Rappard's earlier question on the accounting of Avantium's past biodiesel activities. He answers that the biodiesel activities are not on Avantium's balance sheet.

Mr. Snoeker asks for a clarification as to why the contract with BASF is called onerous. Mr. Meijel explains that under IFRS 37 a contract is called onerous when one cannot demonstrate value.

The Chairperson thanks Mr. Meijel for his contributions over the past five years. The Chairperson further thanks everyone for the questions raised and establishes that there are no further questions or comments concerning this agenda item.

The Chairperson proposes that the Meeting resolves by way of acclamation to adopt the annual accounts of Avantium for the financial year 2018.



Mr. Tse expresses that he abstains from voting. Mr. Swinkels notes that he votes against the proposal, since it was a difficult year for Avantium.

This brings the total number of abstaining votes to 17 votes and the total number of votes against the proposal to 250 votes.

The Chairperson establishes and records that the proposal has been **adopted**.

#### **4. Discharge**

##### **(a) Discharge from liability Management Board members**

The Chairperson turns to agenda item 4 (a): the proposal to grant full discharge from liability to the members of the Management Board for the performance of their duties during the financial year 2018.

The Chairperson provides the shareholders the opportunity to ask questions or make comments.

The Chairperson proposes that the Meeting resolves by way of acclamation to discharge the members of the Management Board from liability for the performance of their duties in financial year 2018, insofar as the performance of such duties is disclosed in the annual accounts 2018 or has otherwise been publicly disclosed prior to the adoption of the annual accounts 2018.

Mr. Tse expresses that he abstains from voting. Mr. Swinkels notes that he votes against the proposal due to the unclarity about BASF's reason to exit the joint venture.

This brings the total number of abstaining votes to 17 votes and the total number of votes against the proposal to 250 votes.

The Chairperson establishes and records that the proposal has been **adopted**.

##### **(b) Discharge from liability Supervisory Board members**

The Chairperson continues with agenda item 4 (b): the proposal to grant full discharge from liability to the members of the supervisory board for their supervision duties during the financial year 2018.

The Chairperson opens the opportunity to shareholders to ask questions or make comments.

Mr. Swinkels notes that for this agenda item 4 (b) would like to vote against for the same reason as stated for agenda item 4 (a).

This brings the total number of votes against the proposal to 250 votes.

The Chairperson proposes that the Meeting resolves by way of acclamation to discharge the members of the Supervisory Board from liability for the performance of their duties in

financial year 2018, insofar as the performance of such duties is disclosed in the annual accounts 2018 or has otherwise been publicly disclosed prior to the adoption of the annual accounts 2018.

As there are no further questions or comments, the Chairperson establishes and records that the proposal has been **adopted**.

## **5. Appointment of PwC as external auditor for financial year 2019**

The Chairperson moves on to agenda item 5: appointment of PwC as external auditor.

The Chairperson asks Mrs. Kleinsman, the chairperson of the audit committee, to provide some background to the audit committee's discussion regarding the selection process of the auditor and conclusions.

Mrs. Kleinsman moves on to mention and compliment the team of PwC for its industry expertise, good understanding of Avantium's business, the market Avantium operates in and IFRS, and overall expertise and capabilities. The quality of the team is of a high standard. Also for continuity reasons, the audit committee would like to continue the cooperation with PwC. The audit committee's recommendation is to appoint PwC for the audit of the annual accounts 2019.

Mrs. Kleinsman thanks Mr. Meijel for his contributions to Avantium. Mrs. Kleinsman further mentions that Mr. Westerman will succeed Mr. Meijel, given that Mr. Meijel has completed his mandatory maximum term of five years. Mr. Westerman has been presented to Avantium by PwC and the audit committee believes that with the experience, he would be a suitable successor to Mr. Meijel.

The Chairperson opens the opportunity to shareholders to ask questions or make comments. The Chairperson notes that there are no questions or comments.

Following the recommendation of the audit committee, the Chairperson proposes that the Meeting resolves by way of acclamation to appoint PwC as external auditor for the audit of the annual accounts 2019.

The Chairperson establishes and records that the proposal has been **adopted**.

## **6. Composition of Supervisory Board**

The Chairperson turns to agenda item 6: composition of the Supervisory Board.

The Chairperson starts with a word of thanks to Mr. Wolfson and Mrs. Reijnen. Also on behalf of the Supervisory Board and the Management Board, the Chairperson expresses his appreciation for the contributions of Mrs. Wolfson and Mrs. Reijnen to Avantium over the past years.

### **(a) Re-appointment of Mr. D.J. Lucquin as Supervisory Board member**

The Chairperson continues with agenda item 6 (a): the re-appointment of Mr. D.J. Lucquin as Supervisory Board Member.

The Supervisory Board has nominated Mr. Lucquin for re-appointment as member of the Supervisory Board for two years, so until the end of Avantium's annual general meeting in 2021. Mr. Lucquin (date of birth: 13 January 1957) joined the Supervisory Board in May 2011. The Chairperson refers for the details on his resume to the documentation provided for this Meeting. In addition, the Chairperson expresses his and Avantium's gratitude for the contributions of Mr. Lucquin so far to Avantium's path of growth and success in multiple ways.

The Chairperson opens the opportunity to shareholders to ask questions or make comments.

There being no questions, the Chairperson proposes that the Meeting resolves by way of acclamation to re-appoint Mr. Lucquin as member of the Supervisory Board until the end of Avantium's annual general meeting in 2021.

The Chairperson establishes and records that the proposal has been **adopted**.

**(b) Re-appointment of Mrs. G. Reijnen as Supervisory Board member**

The Chairperson notes that this agenda item 6 (b) has been withdrawn. The Chairperson refers to Avantium's announcement of last week and the corresponding update of the Meeting documents.

**(c) Appointment of Mr. R.W. van Leen as new Supervisory Board member**

The Chairperson continues with agenda item 6 (c): Appointment of Mr. R.W. van Leen as member of the Supervisory Board.

The Chairperson explains that Mr. Van Leen could unfortunately not be present today due to longstanding business commitments abroad. The Chairperson refers to the introduction video of Mr. Van Leen.

The Supervisory Board has nominated Mr R.W. van Leen for appointment as member of the Supervisory board for four years, so until the end of the annual general meeting in 2023. Mr Van Leen has extensive and relevant international and industry experience by education and through the various roles he holds and has held at DSM.

The proposal to appoint Mr. Van Leen is made taking into account the limitation to the number of functions as prescribed by applicable law, and the Supervisory Board Regulations and its Supervisory Board profile, including the diversity policy. Mr. Van Leen qualifies as independent Supervisory Board member within the meaning of the Dutch Corporate Governance Code. The Chairperson refers for the details on his resume to the documentation provided for this Meeting.

The Chairperson opens the opportunity to shareholders to ask questions or make comments.

Mr. Swinkels asks if Mr. Van Leen has experience in the research and development of biodegradable plastics. Mr. Van Aken responds that Mr. Van Leen has led all research and development and innovation activities within DSM, including in the area of materials and polymers. Mr. Van Leen brings a wealth of experience in all these areas. Mr. Van Aken further explains that with PEF, Avantium is developing plant-based materials that are recyclable, but this is different from biodegradable materials.

Mr. Van Rappard asks what the equity interest of DSM in Avantium is. The Chairperson replies that to his knowledge, DSM has no equity interest in Avantium. This is confirmed Mr. Van Aken.

The Chairperson establishes that there are no further questions. The Chairperson proposes that the Meeting resolves by way of acclamation to appoint Mr. Van Leen as member of the Supervisory Board for four years, so until the end of Avantium's annual general meeting in 2023.

The Chairperson establishes and records that the proposal has been **adopted**.

## **7. Authorisations of Management Board**

### **(a) Extension of Management Board authorisation to issue (rights to) shares**

The Chairperson turns to agenda item 7 (a).

Under this agenda item, a proposal is submitted to the general meeting to extend the period during which the Management Board is authorised, subject to the approval of the Supervisory Board, to issue shares and/or grant rights to acquire shares for a period of 18 months effective as of the date of this Meeting (i.e. up to and including 15 November 2020). The authority to issue shares and/or grant rights to acquire shares is limited to a maximum of 10% of Avantium's issued share capital on the day of this Meeting for unspecified purposes, including the possibility to raise capital through the issuance of shares, to service option rights in connection with Avantium's long term incentive and share-based compensation plans for employees and management team members, and to provide financial flexibility.

The issue price will be determined by the Management Board and shall, as much as possible be calculated on the basis of the trading prices of Avantium's shares on the Euronext Amsterdam Exchange.

The proposed authorisation will replace the authorisation granted to the Management Board on 16 May 2018.

The Chairperson opens the opportunity to shareholders to ask questions or make comments.

The Chairperson re-confirms Mr. Van Rappard's remark that the proposed authorisation is limited to 10% and 18 months.

There being no further questions, the Chairperson proposes that the Meeting resolves by way of acclamation to authorise the Management Board to issue shares and/or grant rights to subscribe for shares in accordance with the foregoing limitations and qualifications.

The Chairperson establishes and records that the proposal has been **adopted**.

**(b) Extension of Management Board authorisation to limit or exclude pre-emptive rights**

The Chairperson continues with agenda item 7 (b).

In connection with the mandate granted under agenda item 7 (a), it is proposed to extend the period during which the Management Board is authorised, subject to the approval of the supervisory board, to restrict or exclude the statutory pre-emptive rights of shareholders in relation to any issue of shares and/or granting of rights to acquire shares for a period of 18 months effective as of the date of this Meeting (i.e. up to and including 15 November 2020).

The proposed authorisation will replace the authorisation granted to the management board on 16 May 2018.

The Chairperson opens the opportunity to shareholders to ask questions or make comments.

There being no questions, the Chairperson proposes that the Meeting resolves by way of acclamation to authorise the management board, subject to the approval of the supervisory board, to limit or exclude pre-emptive rights of shareholders in respect of any issuance of shares and/or granting of rights to subscribe for shares by Avantium, for a period of 18 months (i.e. up to and including 15 November 2020) from the date of this Meeting.

The Chairperson establishes and records that the proposal has been **adopted**.

**8. Extension of Management Board authorisation to repurchase shares**

The Chairperson moves to agenda item 8, the last voting item.

In accordance with article 9 of Avantium's articles of association, Avantium may acquire its own shares by virtue of a resolution of the Management Board, which resolution is subject to approval of the Supervisory Board. Under Section 2:98 of the Dutch Civil Code, this requires authorisation by the general meeting.

It is proposed to extend the period during which the Management Board is authorised, subject to the approval of the Supervisory Board, to repurchase, for a period of 18 months effective as of the date of this Meeting (i.e. up to and including 15 November 2020), on a

stock exchange or otherwise, fully paid-up (depository receipts for) shares in the capital of Avantium on behalf of Avantium up to a maximum of 10% of the issued share capital of Avantium as at the date of this Meeting. The purchase price shall not be lower than ten (10) eurocent and not higher than 110% of the average of the closing price of a share as reported in the official price list of Euronext Amsterdam and/or Euronext Brussels over the five (5) trading days preceding the date of purchase.

This purchase authorisation provides the Management Board, subject to the approval of the supervisory board, the flexibility to reduce Avantium's outstanding share capital, if required.

The proposed authorisation will replace the authorisation granted to the Management Board on 16 May 2018.

Mr. Molenaar asks under what conditions this right may be exercised. Mrs. Portocarero states that this a right that Avantium would like to reserve. Mr. Roerink adds that this right could for instance apply with respect to Avantium's employee share option plan. The current policy is that Avantium issues new shares when an employee exercises its options, but you could argue at some point that, instead of selling shares, you would want to buy shares in the open market.

As there are no further questions or comments, the Chairperson proposes that the Meeting resolves by way of acclamation to authorise the Management Board for a period of 18 months to acquire in the name of Avantium, on a stock exchange or otherwise, fully paid-up (depository receipts for) shares in the capital of Avantium in accordance with the foregoing limitations and qualifications.

The Chairperson establishes and records that the proposal has been **adopted**.

## **9. Any other business**

The Chairperson informs whether there are any other questions or comments.

Further to the discussion on recycling and plastics, Mr. Molenaar wonders whether it would be economically interesting to recycle products instead of using biobased materials for making products, for example by means of a deposit system. Mr. Van Aken confirms that it is worthwhile to use used plastics (post-consumer plastics) as a feedstock for making materials. Particularly when looking at products that bring performance, like PEF, it makes absolute sense to collect them and re-use them or recycle them. A large portion of plastic materials cannot be recycled, or can only be downcycled. Polyesters like PEF differentiate here, because it can continuously be recycled in the same type of applications. That is the future of a circular economy.

Mr. Van Rappard asks if it would be possible to separate PEF from PET and PE via existing techniques. Mr. Van Aken elaborates that Avantium has done very significant work in the past five years in collaboration with its partners such as Coca Cola and Danone to look at recycling, including separation technologies. PEF is the only material that is allowed by the

PET industry to be recycled with PET up to 5% of PET. For the beginning, there is no need to create a new waste stream, it can be recycled within the PET stream. Once PEF gets bigger, Avantium has already established the pathway on how PEF can be recycled to PEF products.

The Chairperson observes that there are to further questions or comments.

**10. Closing**

The Chairperson then closes the Meeting and thanks all attendants for their time and presence.

*[Signature page follows]*

*- Signature page Minutes Annual General Meeting of Avantium N.V. 2019 -*

These minutes are adopted by the Chairperson and the Secretary on 14 November 2019 and as evidence thereof are signed by them.

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Name: Mr. Verhaar

Title: Chairperson

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Name: Mrs. Portocarero

Title: Secretary