



# Draka



## Agenda for the annual General Meeting of Shareholders of Draka Holding N.V.

Tuesday 20 April 2010, starting at 2.30 pm at the Rosarium, Amstelpark 1, 1083 HZ Amsterdam

1. Opening
  - Supervisory Board and to appoint Mr J.C.M. Schönfeld, Mr A.W. Veenman and Mr B.E. Dijkhuizen as members of the Supervisory Board as of 20 April 2010 (Decision)
2. Annual report on the year 2009
  - a. The report of the Board of Management
  - b. Proposal to adopt the 2009 financial statements (Decision)
  - c. Proposal to increase the number of Supervisory Board seats from seven to eight (Decision)
3. Determination of dividend
4. Proposal to discharge the members of the Board of Management (Decision)
5. Proposal to discharge the members of the Supervisory Board (Decision)
6. Proposal to appoint Mr L.H. Koo as a member of the Board of Management as of 20 April 2010 (Decision).
7. Profile and composition of Supervisory Board / appointment of members of the Supervisory Board
  - a. Discussion on changes in the profile
  - b. Proposal to reappoint Mr L.M.J. van Halderen and Mr F.H. Fentener van Vlissingen as members of the
8. Appointment of the auditor (Decision)
9. Designation of the Board of Management as the competent body authorised until 20 October 2011, to adopt resolutions - subject to the approval of the Supervisory Board - to issue shares or to grant rights to subscribe to shares (Decision)
10. Designation of the Board of Management as the competent body authorised until 20 October 2011, to adopt resolutions - subject to the approval of the Supervisory Board - to limit or exclude the statutory pre-emptive rights (Decision)
11. Authorisation to acquire own shares (Decision)
12. Any other business
13. Close of meeting

# Explanatory notes to the agenda

Agenda item 2:

## **Annual report on the year 2009**

The Company proposes to the General Meeting to adopt the 2009 financial statements in accordance with the proposal of the Board of Management. The Supervisory Board issued a preliminary advice on the financial statements to the General Meeting in the annual report pursuant to article 29, paragraph 4 of the articles of association.

Agenda item 3:

## **Determination of dividend**

The Board of Management and the Supervisory Board have decided to pay a dividend of € 5.4 million on the preference shares. This distribution will be charged against the reserves of the Company. Due to the lack of profit no distribution will be made to the ordinary shareholders.

Agenda item 4:

## **Proposal to discharge the members of the Board of Management**

The Supervisory Board proposes to the General Meeting to grant discharge of liability to the members of the Board of Management for their management conducted in 2009.

Agenda item 5:

## **Proposal to discharge the members of the Supervisory Board**

The Supervisory Board proposes to the General Meeting to grant discharge of liability to the members of the Supervisory Board for their supervision exercised in 2009.

Agenda item 6:

## **Appointment of Mr L.H. Koo as member of the Board of Management as of 20 April 2010**

Pursuant to Article 16 of the articles of association the Supervisory Board nominates Mr L.H. Koo to be appointed by the General Meeting to the Board of Management as of 20 April 2010. The curriculum vitae of the nominated member of the Board of Management will be deposited at the office of the Company and has also been published on the Company's website ([www.draka.com](http://www.draka.com)).

The main components of his employment agreement, which are in line with the Company's remuneration policy, are:

- the employment contract was entered into on 1 January 2010 for a period of four years and will therefore expire

on 31 December 2013. The employment contract provides a notice period of three months in the case of termination by Mr Koo and six months in the case of termination of the Company. An exit arrangement has been agreed with Mr Koo, also in case of a change of control, which provides for payment of one full year's base salary in the event of the employment contract being terminated before expiry of the four-year period due to any other reason than cause;

- annual base salary of € 475.000,-;
- short-term incentive: annual bonus based on predetermined targets and the discretionary judgement of the Supervisory Board to the value of 60% of base salary. In case of outstanding performance a bonus of 90% of the base salary may be granted;
- long-term incentive: an annual conditional grant of performance shares to the value of 55% of base salary. Depending on Draka's total shareholder return measured against the peer group, the performance shares may vest after three years;
- a non-recurrent, conditional grant of performance shares to the value of 55% of base salary which may vest after four years. If the employment contract is ended within the four years, no vesting will take place;
- a defined-contribution pension plan for which the contributions have been structured as follows since 1 January 2010:
  - from 1 January 2010 to age 54: 23% of base salary
  - age 55-59: 28,6% of base salary.

Agenda item 7:

## **Profile and composition of Supervisory Board / appointment of members of the Supervisory Board**

a. The current profile is incorporated in the charter of the Supervisory Board. The scope of this article was generic and did not provide a lot of detail. The Supervisory Board has reviewed this profile and has made it more specific. This increases transparency, but also makes it easier to define the profiles for the candidates needed in the Supervisory Board.

The main additions to the qualifications for the Supervisory Board are:

- awareness of corporate responsibility including global issues such as sustainability, environment, communities and values;

- an understanding of corporate human resource management and labour relations and experience with the selection and remuneration of members of the Board of Management;
- experience in marketing and public affairs;
- awareness of responsibility for stakeholders, including shareholders and employees.

The profile will be made available on the Company's website.

- b. Proposal to reappoint Mr L.M.J. van Halderen and Mr F.H. Fentener van Vlissingen and to appoint Mr J.C.M. Schönfeld, Mr A.W. Veenman and Mr B.E. Dijkhuizen as members of the Supervisory Board as of 20 April 2010.

In accordance with the Supervisory Board's policy of rotation, Mrs A.J.M. Roobeek, Mr L.M.J. van Halderen, Mr F.H. Fentener van Vlissingen and Mr G. Sharman will retire on April 20, 2010.

Mr Van Halderen has announced that he will be eligible for reappointment. Mr Van Halderen (63) is Chairman of the Supervisory Board of Rabobank IJsseldelta and member of the Supervisory Board of Rabo Vastgoedgroep Holding N.V., Smit Transformatoren B.V. and Van Gelder Groep B.V. Mr Van Halderen does not hold shares in the Company. The Supervisory Board would like to nominate Mr Van Halderen for reappointment taking into account the excellent way in which he performed his duties as member of the Supervisory Board of the Company in the past. Furthermore, Mr Van Halderen contributes significantly to the Supervisory Board due to his experience in financial and social aspects of national and international business and he fits well in the profile of the Supervisory Board.

Mr Fentener van Vlissingen (41) has announced that he will be eligible for reappointment. Mr Fentener van Vlissingen is Chairman of the Supervisory Board of Diamond Tools Group B.V. and member of the Supervisory Board of Flint Holding N.V. and Precision Tools Holding B.V. Mr Fentener van Vlissingen does not hold shares in the Company on his own name. The Supervisory Board would like to nominate Mr Fentener van Vlissingen for reappointment taking into account the excellent way in which he performed his duties as member of the Supervisory Board of the Company in the past and his thorough knowledge of the Company. Furthermore, Mr Fentener van Vlissingen contributes significantly to the Supervisory Board due to his experience in national and international business and he fits well in the profile of the Supervisory Board.

Mr Sharman will, in line with good governance, retire after a period of 12 years as a member of the Supervisory Board. The Supervisory Board expresses its gratitude and sincere appreciation for the long and dedicated commitment by Mr Sharman to the Company.

Mrs Roobeek will step down as a member of the Supervisory Board. She will not be eligible for reappointment. The Supervisory Board expresses its gratitude and sincere appreciation for the dedicated commitment by Mrs Roobeek to the Company.

To fill the vacancies created by the departure of Mr Sharman and Mrs Roobeek and anticipating on the retirement, in line with good governance, of Mr Fröhlich and Mr Van Oordt next year, three new candidates have been nominated for appointment by the General Meeting.

Mr Schönfeld (60) was Chief Financial Officer of Stork B.V. until October 2008. Mr Schönfeld is Chairman of the Supervisory Board of Skyline Diagnostics and member of the Supervisory Board of Arcadis N.V., S&B Industrial Minerals S.A., Stichting Sanquin Bloedvoorziening, Technische Universiteit Delft and Koninklijk Conservatorium Den Haag. Mr Schönfeld does not hold shares in the Company. The Supervisory Board would like to nominate Mr Schönfeld for appointment as a member of the Supervisory Board taking into account his experience in financial aspects of national and international business.

Mr Veenman (62) was Chairman of the Board of Management of Nederlandse Spoorwegen N.V. Mr Veenman is Chairman of the Supervisory Board of ICTRegie and member of the Supervisory Board of Rabobank Nederland, TenneT B.V., SPF Beheer B.V., Eureko/Achmea, GVB Amsterdam and ECN Petten. Mr Veenman does not hold shares in the Company. The Supervisory Board would like to nominate Mr Veenman for appointment as a member of the Supervisory Board taking into account his experience in strategic aspects of national and international business.

Mr Dijkhuizen (61) is currently Chief Executive Officer of the Board of Management of Ziggo. Mr Dijkhuizen holds no other memberships in Supervisory Boards. Mr Dijkhuizen is a member of the Board of VNO-NCW, WENb and NLKabel. Mr Dijkhuizen does not hold shares in the Company. The Supervisory Board would like to nominate Mr Dijkhuizen for appointment as a member of the Supervisory Board taking into account his experience in social aspects of national and international business and his thorough knowledge of the cable industry.

Both the Central Works Council and the General Meeting are empowered to make recommendations. The Central Works Council has indicated, using their special right of recommendation, to nominate Mr Dijkhuizen as a member of the Supervisory Board. The Supervisory Board informed the Central Works Council that it has no objection on this nomination.

Provided that no other person is put forward by the General Meeting, the Supervisory Board proposes to reappoint Mr Van Halderen and Mr Fentener van Vlissingen as members of the Supervisory Board and to appoint Mr Schönfeld, Mr Veenman and Mr Dijkhuizen as members of the Supervisory Board for a four-year term.

In 2011, Mr R.F.W. van Oordt and Mr F.W. Fröhlich will retire by rotation from the Supervisory Board.

c. In connection with the appointment of Mr Schönfeld, Mr Veenman and Mr Dijkhuizen it is now proposed to increase the number of seats on the Supervisory Board temporarily from seven to eight.

Agenda item 8:

**Appointment of the auditor**

It is proposed to the General Meeting to appoint Deloitte Accountants N.V. to act as the Company's auditor for the 2010 financial year.

Agenda item 9:

**Designation of the Board of Management as the competent body authorised until 20 October 2011, to adopt resolutions - subject to the approval of the Supervisory Board - to issue shares or to grant rights to subscribe to shares**

The proposal in item 9 on the agenda to designate the Board of Management as the authorized body stems from a statutory arrangement which has been incorporated in the articles of association. The Board of Management will only exercise this authority after having obtained the approval of the Supervisory Board and only in situations where it serves the interests of the Company and its affiliates. In this respect, due account will be taken of the interests of shareholders and the views prevailing on the stock market. The total amount of shares to be issued and/or the grant of rights to subscribe to shares may not exceed 10% of the issued capital on the date of issue. The total amount of protective shares class B to be issued and/or the grant of right to subscribe to shares may not exceed 50% of the issued capital on the date of issue.

Agenda item 10:

**Designation of the Board of Management as the competent body authorised until 20 October 2011, to adopt resolutions - subject to the approval of the Supervisory Board - to limit or exclude the statutory pre-emptive rights**

The proposal in item 10 on the agenda to designate the Board of Management as the authorised body stems from a statutory arrangement which has been incorporated in the articles of association. The Board of Management will only exercise this authority after having obtained the approval of the Supervisory Board and only in situations where it serves the interests of the Company and its affiliates. In this respect, due account will be taken of the interests of shareholders and the views prevailing on the stock market.

Agenda item 11:

**Authorisation to acquire own shares**

Pursuant to Article 11 of the articles of association, the Company may acquire shares in its own capital pursuant to a resolution by the Board of Management which is subject to the approval of the Supervisory Board. The authorisation of the General Meeting is required in this respect. Authorisation may be granted for a maximum of 18 months.

It is proposed to authorise the Board of Management for a period of 18 months as of the date of this General Meeting to acquire own shares as referred to in Article 11 of the articles of association. Any such shares may be purchased on a stock exchange or otherwise up to a maximum of 10% of the issued capital (including all preference shares) and at a maximum price of 10% above the price calculated on the basis of the average of the closing prices stated in the Official List of Amsterdam Exchange for the last five trading days prior to the day of purchase. The preference shares may be purchased for a price between the nominal value and a maximum of 10% above the yield basis of such preference shares.