

Convening notice

Flow Traders N.V. (the “**Company**”) is pleased to invite its shareholders for the Annual General Meeting (“**General Meeting**”) to be held at the INIT Building at Jacob Bontiusplaats 9, 1018 LL Amsterdam, the Netherlands, on 8 May 2019 at 15:00 hours Amsterdam time.

Agenda and explanatory notes

1. **Opening and announcements**

2. **Report of the Management Board for the financial year 2018; Management Board remuneration; adoption of the annual accounts; dividend policy; determination of dividend**

- a. **Report of the Management Board for the financial year 2018 (*discussion item*)**

The Management Board will give a presentation on the performance of the Company in 2018. Furthermore, the Supervisory Board Report and Accountant Statements will be discussed.

- b. **Management Board remuneration (*discussion item*)**

Discussion of the Management Board’s remuneration for the past financial year. Please refer to the remuneration report included in the annual report for the financial year 2018 on pages 56 and 59.

- c. **Adoption of the annual accounts (*voting item*)**

It is proposed to adopt the annual accounts for the financial year 2018 as drawn up by the Management Board and signed by the Management Board and the Supervisory Board. Ernst & Young Accountants LLP has audited the annual accounts and has issued an unqualified auditor’s report and will present the audit results.

- d. **Dividend policy (*discussion item*)**

Discussion of the policy on dividend, reservations and distributions. Please refer to the dividend policy included in the annual report for the financial year 2018 on page 9.

e. Determination of dividend (*voting item*)

It is proposed to the General Meeting that a total cash dividend of € 2.35 per share will be paid out to shareholders for the financial year 2018, subject to a 15% Dutch dividend withholding tax (*dividendbelasting*). An interim cash dividend of € 1.35 per share has been paid out on 13 August 2018. This means that the final cash dividend proposal to the General Meeting is € 1.00 per share.

3. Discharge of Management Board members (*voting item*)

It is proposed to discharge the members of the Management Board from liability in respect of the performance of their management duties to the extent that such performance is apparent from the annual accounts over the financial year 2018 or has been otherwise disclosed to the General Meeting before the resolution is adopted.

4. Discharge of Supervisory Board members (*voting item*)

It is proposed to discharge the members of the Supervisory Board from liability in respect of the performance of their supervisory duties to the extent that such performance is apparent from the annual accounts over the financial year 2018 or has been otherwise disclosed to the General Meeting before the resolution is adopted.

5. Composition Management Board

When assessing the composition of the Management Board, the Supervisory Board has concluded that following current Co-CEO Sjoerd Rietberg's earlier announcement not to opt for reappointment for a second term, it wishes to appoint a sole CEO going forward. While the Co-CEO structure has served the Company well since its inception, the Supervisory Board believes that a sole CEO structure suits the Company's current phase of growth and maturity. At the same time, the Supervisory Board has decided not to replace CFO Marcel Jongmans, who stepped down in December 2018.

a. Proposal reappointment of Dennis Dijkstra as member of the Management Board and CEO (*voting item*)

It is proposed to reappoint Dennis Dijkstra (age: 47) as a Management Board member and Chief Executive Officer ("**CEO**") of the Company following the Supervisory

Board's nomination for a second term of four years starting on 8 May 2019 (i.e. ending on 8 May 2023).

Dennis Dijkstra joined the Company as CFO in 2009 and was appointed Co-CEO in January 2014, focusing on HR & recruitment, institutional trading, relationships with issuers, legal & compliance, internal audit, finance and tax, investor relations, relationships with regulators and organization structure. Prior to joining Flow Traders, Dennis held positions at Arthur Andersen, Faxtor Securities, NIBC and Sparck. He currently serves as a board member (treasurer) of APT, the Association of Proprietary Traders in the Netherlands. Dennis is a supervisory director of DMF Investment Management B.V.

Dennis Dijkstra is a Dutch national who holds a Master's degree in Business Economics from the University of Amsterdam.

During his first term as (Co-)CEO Dennis Dijkstra has been leading in Flow Traders' growth, more than doubling the business in terms of people and Net Trading Income. The Supervisory Board is therefore pleased that Dennis Dijkstra remains available to lead Flow Traders into the next phase of growth. His in-depth knowledge of the business and its stakeholders, his drive and his proven track record are of great value to the Company. The proposed reappointment takes the Equal Opportunity Policy (Diversity Policy) into account.

The remuneration of Dennis Dijkstra shall be in accordance with the Company's existing Remuneration Policy as approved by the shareholders during the 2016 annual general meeting of shareholders which was held on 19 May 2016. The main elements of the arrangements with Dennis Dijkstra (as applicable after his

reappointment) are set out in the Annex (in accordance with best practice provision 3.4.2 of the Corporate Governance Code).

6. Composition Supervisory Board (*voting item*)

a. Proposal reappointment of Eric Drok as member of the Supervisory Board (*voting item*)

In accordance with the Articles of Association of the Company, the Supervisory Board proposes to reappoint Eric Drok as member of the Supervisory Board with effect from 8 May 2019 for a period of four years (i.e. ending on 8 May 2023).

Eric Drok (age: 58) is a Dutch national. Eric Drok was appointed member and Chairman of the Supervisory Board on 9 July 2015. He is a member of the Audit Committee, the Remuneration and Appointment Committee, the Trading and Technology Committee and the Risk Committee.

Eric has 30 years domestic and international banking experience. He served as CEO of ING Direct and ING Bank Australia between 2006 and 2009, before becoming a board member of ING Bank Slaski (Poland) until 2011. He then moved to Rabobank, serving three years as Chief International Direct & Retail Banking. He was non-executive board member at several banks in Europe, Africa and Australia/New Zealand. His other functions include serving on the Supervisory Board of Euro Pool Systems International B.V., Lievense B.V., and The Greenery B.V., and he is a non-executive board member of Bison Bank in Portugal. Eric is also Operating Partner at HG-Capital in London.

The Supervisory Board proposes to reappoint Eric Drok as a Supervisory Board member of the Company in view of his knowledge and experience in the financial industry, combined with a good understanding and knowledge of Flow Traders specifically. In addition he has proven to bring valuable contributions to the meetings of the Supervisory Board, the Remuneration and Appointment Committee, the Audit Committee, the Trading & Technology Committee and the Risk Committee. The proposed reappointment takes the Supervisory Board Profile and Equal Opportunity Policy (Diversity Policy) into account.

Eric Drok complies with the Dutch Act on Management and Supervision (*Wet Bestuur en Toezicht*) as regards the maximum number of supervisory board seats and non-

executive board memberships in large Dutch entities. Eric Drok is independent, as defined in the Corporate Governance Code.

Eric Drok does not own shares in the Company.

b. Proposal reappointment of Roger Hodenius as member of the Supervisory Board (voting item)

In accordance with the Articles of Association of the Company, the Supervisory Board proposes to reappoint Roger Hodenius as member of the Supervisory Board with effect from 8 May 2019 for a period of four years (i.e. ending on 8 May 2023).

Roger Hodenius (age: 46) is a Dutch national. Roger Hodenius was appointed member of the Supervisory Board on 9 July 2015. He is Chairman of the Risk Committee, and is a member of the Remuneration and Appointment Committee, the Trading and Technology Committee and the Risk Committee. Roger is one of the co-founders of Flow Traders and served as its Co-CEO from its inception in 2004 until January 2014. Roger's contributions were key in developing Flow Traders' vision and culture, the trading strategies and the trading floor.

The Supervisory Board proposes to reappoint Roger Hodenius as a Supervisory Board member of the Company in view of his knowledge of and experience in the ETP sector. He also has a deep understanding and knowledge of the Flow Traders organization. Since 2017 he has contributed to the Risk Committee as the Chairman. In addition he has proven to bring valuable contributions to the meetings of the Supervisory Board, the Remuneration and Appointment Committee, the Trading & Technology Committee and the Risk Committee. The proposed reappointment takes the Supervisory Board Profile and Equal Opportunity Policy (Diversity Policy) into account.

Roger Hodenius complies with the Dutch Act on Management and Supervision (*Wet Bestuur en Toezicht*) as regards the maximum number of supervisory board seats and non-executive board memberships in large Dutch entities. Roger Hodenius does not qualify as independent under the provisions of the Corporate Governance Code

as he, as one of our co-founders, is a former member of the Company's Management Board, and represents a shareholder of the Company.

Via Avalon Holding B.V. Roger Hodenius owns 4,686,825 shares in the Company as a long-term investment.

c. Proposal reappointment of Olivier Bissierier as member of the Supervisory Board (voting item)

In accordance with the Articles of Association of the Company, the Supervisory Board proposes to reappoint Olivier Bissierier as member of the Supervisory Board with effect from 8 May 2019 for a period of three years (i.e. ending on 8 May 2022).

Olivier Bissierier (age: 51) is a French national. Olivier Bissierier was appointed member of the Supervisory Board on 9 July 2015. He is Chairman of the Audit Committee, and is a member of the Trading and Technology Committee and the Risk Committee.

Until 31 March 2019, Olivier Bissierier serves as the CFO of Booking.com. He has over 25 years of experience in international financial roles. He was a senior manager for PwC until 2000, then held finance director roles and served as European CFO of TNS, an LSE-listed market research group.

The Supervisory Board proposes to reappoint Olivier Bissierier as a Supervisory Board member of the Company in view of his deep knowledge of and experience in finance. In his first term as a Supervisory Board member, he chaired the Audit Committee. He has proven to bring valuable contributions to the meetings of the Supervisory Board, the Audit Committee, the Trading & Technology Committee and the Risk Committee. The proposed reappointment takes the Supervisory Board Profile and Equal Opportunity Policy (Diversity Policy) into account.

Olivier Bissierier complies with the Dutch Act on Management and Supervision (*Wet Bestuur en Toezicht*) as regards the maximum number of supervisory board seats

and non-executive board memberships in large Dutch entities. Olivier Bissierier is independent, as defined in the Corporate Governance Code.

Olivier Bissierier does not own shares in the Company.

7. Authority to issue shares and restrict or exclude pre-emptive rights

a. Authority to issue shares (*voting item*)

It is proposed to renew the authority of the Management Board, subject to the Supervisory Board's approval, to issue ordinary shares or to grant rights to subscribe for ordinary shares for a period of 18 months from the date of this General Meeting (i.e. up to and including 8 November 2020) for up to 10% of the total number of shares issued at the time of the General Meeting for any purposes.

b. Authority to restrict or exclude pre-emptive rights (*voting item*)

It is proposed to renew the authority of the Management Board, subject to the Supervisory Board's approval, to restrict or exclude applicable pre-emptive rights when issuing ordinary shares or granting rights to subscribe for ordinary shares as set out in item 7.a. above for a period of 18 months from the date of this General Meeting (i.e. up to and including 8 November 2020).

Once these authorizations are approved, these replace the current authorizations. Once approved, the authorizations cannot be revoked.

8. Authority to acquire own shares (*voting item*)

It is proposed to renew the authority of the Management Board, subject to the Supervisory Board's approval, to acquire shares in the capital of the Company, either through purchase on a stock exchange or otherwise. The authority will apply for a period of 18 months from the date of this General Meeting (i.e. up to and including 8 November 2020), under the following conditions:

- (i) up to 10% of the total number of shares issued at the time of the General Meeting;
- (ii) provided that the Company will not hold more shares in stock than 10% of the issued share capital; and

(iii) at a price (excluding expenses) not less than the nominal value of the shares and not higher than the opening price on Euronext Amsterdam on the day of repurchase plus 10%.

Once these authorizations are approved, these replace the current authorizations. Once approved, the authorizations cannot be revoked.

9. Authority to cancel own shares (*voting item*)

It is proposed - which proposal has been approved by the Supervisory Board- to cancel any or all shares in the share capital of the Company held or repurchased by the Company under the authorization referred to under agenda item 8. The number of shares that will be cancelled (whether or not in one or more parts) shall be determined by the Management Board, but may not exceed 10% of the issued share capital at 9 May 2019. The cancellation may be executed in one or more parts. Taken into consideration the relevant statutory provisions, cancellation may not be effected earlier than two months after a resolution to cancel shares is adopted and publicly announced.

10. Auditor (*voting item*)

In accordance with the recommendations of the Audit Committee, the Supervisory Board proposes to reappoint Ernst & Young Accountants LLP as external auditor of the Company for the current financial year.

11. Any other business and closing

Additional information

The agenda with explanatory notes, the annual accounts, annual report and other information as defined in article 2:392 of the Dutch Civil Code, and the instructions for attendance at the General Meeting will be available on the Company's website (www.flowtraders.com). The information mentioned can be obtained free of charge via the Company or via ABN AMRO Bank N.V., at the addresses stated below.

Addresses

Flow Traders N.V.
Investor Relations
Jacob Bontiusplaats 9
1018 LL Amsterdam
The Netherlands
E-mail: investor.relations@flowtraders.com

ABN AMRO Bank N.V.
Visiting address: Postal address:
Gustav Mahlerlaan 10 P.O. Box 283 (HQ 7050)
1082 PP Amsterdam 1000 EA Amsterdam
The Netherlands The Netherlands
E-mail: corporate.broking@nl.abnamro.com

Record Date

A person who is registered as a shareholder of the Company on 10 April 2019 after close of trading and processing of all settlements (the "**Record Date**") and has timely registered (as described below) will be considered as having the right to vote and attend the General Meeting. The administration of the relevant financial intermediary under the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*) shall be consulted to determine which persons are deemed to be registered shareholders of the Company as per the record date.

Registration

Shareholders who wish to attend the meeting are required to notify ABN AMRO Bank N.V. through their financial intermediary. Notification via the financial intermediary can take place as of 11 April 2019, but no later than 18:00 hours (Amsterdam time) on 1 May 2019. Shareholders can also register themselves via www.abnamro.com/evoting. In all circumstances, the intermediary will

need to issue a statement via www.abnamro.com/intermediary, no later than 11:30 hours (Amsterdam time) on 2 May 2019, 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.

Voting by proxy

A shareholder who chooses to be represented shall, in addition to registering for the meeting as described above, send in a signed proxy instrument separately. A standard written proxy is available on the website of the Company or can be obtained via ABN AMRO Bank. The duly signed proxy instrument needs to be received on 1 May 2019 by 18:00 hours (Amsterdam time) at the following address by mail or e-mail:

ABN AMRO Bank N.V.
Department Corporate Broking HQ 7050
P.O. Box 283
1000 EA AMSTERDAM
The Netherlands
E-mail: corporate.broking@nl.abnamro.com

Voting through internet/proxy

A shareholder can choose to give a voting instruction to an independent third party to vote on behalf of the shareholder at the meeting. Electronic voting instructions can be given via www.abnamro.com/evoting and need to be received on 1 May 2019 by 18:00 hours (Amsterdam time).

Admittance to the General Meeting

Registration for admission to the General Meeting will take place on the day of the General Meeting from 14:00 hours (Amsterdam time) until the commencement of the General Meeting at 15:00 hours (Amsterdam time). After this time registration for admission is no longer possible.

Persons entitled to attend the meeting must present a valid admission ticket for the meeting and may be asked for identification prior to being admitted and are therefore requested to carry a valid identity document. Proxy holders must present a copy of their proxy.

Submission of questions for the General Meeting

Shareholders attending the General Meeting are kindly invited to submit questions addressed to the General Meeting in advance. Please use Flow Traders' address set out above.

For further information please visit our website www.flowtraders.com or contact Investor Relations:

Serge Enneman

Telephone: +31 20 799 6799

E-mail: investor.relations@flowtraders.com

The Supervisory Board

The Management Board

Amsterdam, the Netherlands

25 March 2019

Annex

Main elements of Dennis Dijkstra's Board Agreement and other applicable items

The following summarises main elements of Dennis Dijkstra's Board Agreement and other applicable items (as also applicable to the other members of the Management Board):

Term

The Board Agreement had an initial term starting on 15 July 2015, and with the intended reappointment will be ending four years later as of the date of the annual general meeting of shareholders held in 2019. It may be terminated by the Company at any time, except during illness, by giving Dennis Dijkstra 6 months' prior notice in writing and by Dennis Dijkstra at any time by giving the Company 3 months' prior notice in writing. It may also be terminated in special circumstances (including serious default, gross misconduct, gross negligence and certain criminal offences).

Remuneration

The remuneration of, and other agreements with, Dennis Dijkstra are required to be determined by the Supervisory Board with due observance of the remuneration policy and applicable laws and regulations. His remuneration consists of a fixed base salary and a variable compensation in cash. The annual base salary is a fixed cash annual base salary of €94,608. In accordance with the remuneration policy in place for other employees and members of the Management Board, Dennis Dijkstra is entitled to an annual variable compensation based on performance in respect of individual criteria and the contribution to the success of the Company as whole.

Variable compensation is paid in cash in one or multiple instalments in accordance with the remuneration policy as approved by the annual general meeting held on 19 May 2016 and applicable laws and regulations. The deferred variable compensation acts as a first loss tranche to compensate any operating loss in the subsequent year before that loss impacts shareholder equity. During the deferral period such balance is fully at risk for any negative operational result of the Company. To the extent the Company sustains a loss in that year, any subsequent instalment will be paid less the pro rata amount of the loss or be entirely forfeited.

Performance criteria

Performance criteria are proposed by the Remuneration and Appointment Committee and set by the Supervisory Board. These criteria reflect financial performance and include other quantitative and qualitative criteria related to the Company's non-financial performance. The variable

remuneration awards to the members of the Management Board are determined on the basis of the following principles.

- Firstly, the maximum variable remuneration is set by the Supervisory Board within the limits of the firm-wide variable remuneration pool for a given year. As set out in the Company's annual report over 2018, the pool historically amounts to approximately 36% of the operating result and is directly contingent upon positive operating results.
- Secondly, within those limits the variable remuneration is determined annually on the basis of a performance management framework. This framework translates Flow Traders' strategic business objectives into predetermined, assessable performance criteria that can be influenced by the Management Board's performance within a Balanced Performance Scorecard. This Scorecard is composed of four non-financial focus areas, which aim to robustly assess the Management Board member's performance within Flow Traders' operating environment and stakeholder interests.

Shares, ancillary benefits and pension

Management Board members do not receive any share-based remuneration or material ancillary benefits. The Company has not reserved or accrued any amounts to provide pension, retirement or similar benefits for Management Board members.

Severance

The Company does not award severance payments to members of the Management Board that exceed 100% of their annual fixed remuneration, and do not award severance payments if there is a serious imputable act or negligence by the employee in the fulfilment of their functions, where they resign voluntarily (unless this is the consequence of a serious imputable act or negligence (*ernstig verwijtbaar handelen of nalaten*) or failure by the Company), and the Company does not intend to award such payments in the future. In addition relevant limitations apply under the Dutch Remuneration Act and related regulation.
