

Convening notice

Flow Traders N.V. (the “**Company**”) is pleased to invite its shareholders to the virtual Annual General Meeting (“**General Meeting**”) to be held on 24 June 2020 at 14:00 hours Amsterdam time.

The Company initially convened its General Meeting on 13 March 2020 in the form of an ordinary General Meeting. Due to the additional measures implemented by the Government of the Netherlands in light of the Coronavirus (COVID-19) outbreak, the Company postponed the General Meeting. With the Dutch legislation on holding virtual General Meetings having come into effect as well as the ongoing Coronavirus (COVID-19) outbreak, the Company has decided to make use of the option to hold its General Meeting in the form of a virtual General Meeting.

This means that it will not be possible to attend the meeting in person. A live webcast will be broadcasted through www.flowtraders.com/investors. Shareholders will have the possibility to ask questions both prior to the General Meeting as well as during the General Meeting. For further information, please see below. Shareholders will not have the possibility to vote during the General Meeting. The Company therefore encourages shareholders to make use of the possibility to give voting instructions in advance of the General Meeting. The deadline for shareholders to provide such voting instructions is Tuesday 23 June 2020 at 12:00 hours (Amsterdam time).

The Company will continue to monitor developments closely and shareholders are advised to regularly check www.flowtraders.com/investors for any updates before the date of the General Meeting.

Agenda and explanatory notes¹

1. **Opening and announcements**

2. **Report of the Management Board for the financial year 2019; Management Board remuneration; adoption of the annual accounts; dividend policy; determination of dividend**

- a. **Report of the Management Board for the financial year 2019 (*discussion item*)**

The Management Board will give a presentation on the performance of the Company in 2019. Furthermore, the Supervisory Board Report and Accountant Statements will be discussed.

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

It is proposed to adopt the annual accounts for the financial year 2019 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.

- c. **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 2019 on page 14.

- d. **Determination of dividend (*voting item*)²**

It is proposed that a total cash dividend of €0.90 per share will be paid out to shareholders for the financial year 2019, subject to a 15% Dutch dividend withholding tax (*dividendbelasting*). An interim cash dividend of €0.35 per share was paid in August 2019. Due to the postponement of the originally scheduled General Meeting, a second interim dividend cash dividend of €0.55 was paid on 5 May 2020. This means that the final cash dividend proposal to the General Meeting is €0.00 per share for the financial year 2019.

¹ Save for agenda item 2d. (*Determination of dividend (voting item)*) and the revision of various dates as a result of the rescheduling of the General Meeting, the agenda and explanatory notes have not changed compared to the version published on 13 March 2020.

² This agenda item has changed in accordance with the announcement made on 27 March 2020.

e. Remuneration Report over the year 2019 (*advisory voting item*)

Discussion of the remuneration report over the year 2019 including the Management Board and Supervisory Board's remuneration for the past financial year. Please refer to the remuneration report included in the annual report for the financial year 2019 on pages 69 to 77.

f. Remuneration Policy for the Management Board (*voting item*).

Following the implementation of the Shareholders Rights Directive II into Dutch law, it is proposed to approve a new remuneration policy for the Management Board. The Company's current general remuneration policy was adopted by the general meeting of shareholders on 19 May 2016. The proposed amendments reflect the items prescribed for by the Shareholders Rights Directive II. Please refer to the draft Remuneration Policy for the Management Board³ as published on our website www.flowtraders.com.

g. Remuneration Policy for the Supervisory board (*voting item*)

Following the implementation of the Shareholders Rights Directive II into Dutch law, it is proposed to approve a remuneration policy for the Supervisory Board. The proposed structure of the remuneration for the Supervisory Board does not differentiate from the current remuneration of the Supervisory Board and the policy reflects the items prescribed for by the Shareholders Rights Directive II. Please refer to the draft Remuneration Policy for the Supervisory Board as published on our website www.flowtraders.com.

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 2019 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

³ Two paragraphs in the draft Remuneration Policy for the Management Board have been updated compared to the version published on 13 March 2020.

apparent from the annual accounts over the financial year 2019 or has been otherwise disclosed to the General Meeting before the resolution is adopted.

5. Composition Management Board: Proposal appointment of Britta Achmann as member of the Management Board and CRO (voting item)

After assessing the composition of the Management Board, the Supervisory Board has concluded it wishes to further strengthen the Management Board with a Chief Risk Officer. Therefore, the Supervisory Board nominates for appointment a Chief Risk Officer, as announced in the press release dated 13 January 2020.

It is proposed to appoint Britta Achmann (age: 48) as a Management Board member and Chief Risk Officer (“**CRO**”) of the Company following the Supervisory Board’s nomination for a term of four years starting on 24 June 2020.

Britta Achmann joined Flow Traders B.V. as CRO on 1 February 2020. Prior to joining Flow Traders, Britta gained over 15 years of relevant risk and control experience at major US and UK financial institutions and held the position of Head of Business Implementation, Market Risk at Deutsche Bank based in London. Previously she has also held senior risk positions at RBS and held various derivative structuring and trading roles at JP Morgan.

Britta Achmann is a German national who holds an MBA from Carnegie Mellon University (Pittsburgh, USA), a Master of Science, Probability and Statistics degree from Syracuse University (Syracuse, USA) and a Diploma in Mathematics from the Technische Universität Berlin (Germany).

The Supervisory Board is pleased that Britta Achmann is available to join Flow Traders as the Company heads towards its next phase of growth. The proposed appointment takes the Equal Opportunity Policy (Diversity Policy) into account.

The remuneration of Britta Achmann 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 Britta Achmann (as applicable after her appointment) are set out in the

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

6. 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 24 December 2021) 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 6.a. above for a period of 18 months from the date of this General Meeting (i.e. up to and including 24 December 2021).

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

7. 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 24 December 2021), 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.

8. 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 7. 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 25 June 2020. 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.

9. 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.

10. 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 can be found 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: ava@nl.abnamro.com	

Record Date⁴

A person who is registered as a shareholder of the Company on 27 May 2020 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 participate in 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.

⁴ As a result of the shift to a virtual meeting only, the paragraphs below have changed compared to the convocation published on 13 March 2020.

Voting through internet/proxy

A shareholder can choose to give a voting instruction to M.J. Arends, civil law notary in Amsterdam to vote on behalf of the shareholder during the meeting. The shareholders will not have the possibility to vote during the General Meeting. Electronic voting instructions can only be given via www.abnamro.com/evoting and need to be received on Tuesday 23 June 2020 by 12:00 hours (Amsterdam time).

Webcast

The meeting will be webcast live and available in full for everyone via www.flowtraders.com/investors.

Submission of questions for the General Meeting

Shareholders entitled to vote can submit questions about the agenda items prior to the General Meeting via investor.relations@flowtraders.com until Tuesday 23 June 2020 by 12:00 hours (Amsterdam time). These questions will be answered during the General Meeting and published on the website. Questions and answers will be clustered by the Company as much as possible per relevant theme. In addition, Shareholders may ask follow-up questions during the meeting via investor.relations@flowtraders.com unless this cannot reasonably be asked given the circumstances. The Chairman of the meeting may further determine this in the interest of the order of the General Meeting.

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

Jonathan Berger

Telephone: +31 20 799 6799

E-mail: investor.relations@flowtraders.com

The Supervisory Board

The Management Board

Amsterdam, the Netherlands

13 May 2020

Annex

Main elements of Britta Achmann's Board Agreement and other applicable items

The following summarises main elements of Britta Achmann's Board Agreement and other applicable items:

Term

With the intended appointment, the Board Agreement has an initial term starting on 24 June 2020 and will be ending four years later as of the date of the annual general meeting of shareholders held in 2020. It may be terminated by the Company at any time, except during the first 2 years of illness, by giving Britta Achmann 6 months' prior notice in writing and by Britta Achmann 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, Britta Achmann are required to be determined by the Supervisory Board with due observance of the current Remuneration Policy as approved by the annual general meeting held on 19 May 2016 and applicable laws and regulations. Her remuneration consists of a fixed base salary and eligibility for annual variable compensation, dependent on the Company's performance and her personal performance. The annual base salary is a fixed cash annual base salary of €200,000,-.

Britta Achmann has entered into an employment agreement with Flow Traders B.V. (a subsidiary of the Company) as per 1 February 2020 pursuant to which she is entitled to a number of one-off sign on benefits and awarded in the first year of employment:

- i. a one-off payment of €100,000,-;
- ii. 7,500 Flow Traders' shares, which are subject to a 5-year pro rata vesting, starting 2020;
- iii. a one-off minimum bonus for performance year 2020 of €100,000,-, to be paid out in two instalments;
- iv. expat benefits such tax advice and an allowance for international school fees for accompanying children, amounting to approximately €21,500,- per annum, granted for four years; and

- v. relocation benefits like temporary housing and reimbursement of moving costs amounting to approximately €20,000,-.

All payments remain subject to applicable remuneration policies, laws and regulations.

Variable compensation is paid 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 Remuneration Report over 2019, the variable component of the total remuneration is dynamic, as it is a function of operating results: if there is no or insufficient profit or capital, there will be no variable remuneration. For 2019 the pool was approximately 35% 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 management-assessment performance framework. This framework translates the Company's 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 the Companies' operating environment and stakeholder interests. These four areas comprise Growth, External Relationships, Internal Processes / Excellence, and People and Culture.
- Thirdly, each year - within the Balanced Performance Scorecard framework - the Supervisory Board sets targets for the individual Management Board members for specific performance elements. These are assessed annually, in order to determine management's performance and variable remuneration.

- Fourth, during the year, the Supervisory Board discusses performance with the individual Management Board members in mid-year and year-end assessment meetings. The main messages and the year-end assessment of KPI's for the individual Management Board members are included in their year-end letter which also communicates their variable remuneration for the year.

Ancillary benefits and pension

Management Board members do not receive any 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.
