



## **Aperam**

*société anonyme*

**Registered office:**

**12C, rue Guillaume Kroll, L-1882 Luxembourg**

**Grand-Duchy of Luxembourg**

**R.C.S. Luxembourg B 155908**

### **CONVENING NOTICE**

The shareholders of Aperam, *société anonyme* (the "**Company**")

are invited to attend the

#### **Annual General Meeting of Shareholders**

on Wednesday 8 May 2013 at 3.00 p.m. CET

at

Hotel Le Royal

12, boulevard Royal, L-2449 Luxembourg,

Grand-Duchy of Luxembourg

in order to deliberate on the following matters:

## **Agenda and Proposed Resolutions of the Annual General Meeting**

- 1. Presentation of the management report of the Board of Directors and the reports of the independent company auditor on the standalone annual accounts of the Company prepared in accordance with the laws and regulations of the Grand-Duchy of Luxembourg (the “Parent Company Annual Accounts”) and the consolidated financial statements of the Aperam group prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (the “Consolidated Financial Statements”) as of and for the year ended 31 December 2012**

- 2. Approval of the Consolidated Financial Statements as of and for the year ended 31 December 2012**

*Draft resolution (Resolution I)*

The General Meeting, after having reviewed the management report of the Board of Directors and the report of the independent company auditor, approves the Consolidated Financial Statements as of and for the year ended 31 December 2012 in their entirety, with a resulting consolidated net loss of USD 108,372,880.

- 3. Approval of the Parent Company Annual Accounts as of and for the year ended 31 December 2012**

*Draft resolution (Resolution II)*

The General Meeting, after having reviewed the management report of the Board of Directors and the report of the independent company auditor, approves the Parent Company Annual Accounts as of and for the year ended 31 December 2012 in their entirety, with a resulting loss for Aperam as parent company of the Aperam group of USD 173,378,216 (established in accordance with the laws and regulations of the Grand-Duchy of Luxembourg).

- 4. Allocation of results and determination of the dividend and the compensation for the members of the Board of Directors in relation to the financial year 2012**

*Draft resolution (Resolution III)*

The General Meeting, upon the proposal of the Board of Directors, acknowledges that the results to be allocated and distributed amount to USD 1,871,351,354. On this basis, the General Meeting, upon the proposal of the Board of Directors, decides to allocate the results of the Company based on the Parent Company Annual Accounts for the financial year 2012 as follows:

	In U.S. dollars
Loss for the financial year	(173,378,216)
Profit brought forward ( <i>Report à nouveau</i> )	<u>2,044,729,570</u>
<b>Results to be allocated and distributed</b>	<b><u>1,871,351,354</u></b>
Dividend	-
Directors' compensation ( <i>as per Resolution IV, below</i> )	<u>(778,446)</u>
<b>Profit carried forward</b>	<b><u>1,870,572,908</u></b>

The General Meeting acknowledges the decision not to pay a dividend in 2013 to accelerate the net debt reduction target of USD 650 million by the end of 2014.

*Draft resolution (Resolution IV)*

Given the third resolution above, the General Meeting, upon the proposal of the Board of Directors, leaves the basis for remuneration for the Board of Directors unchanged compared to the previous year and sets the amount of total remuneration for the Board of Directors in relation to the financial year 2012 at USD 778,446 based on the following annual fees:

- Basic Director's remuneration: EUR 70,000;
- Lead Independent Director's remuneration: EUR 80,000;
- Additional remuneration for the Chair of the Audit and Risk Management Committee:  
EUR 15,000;
- Additional remuneration for the other Audit and Risk Management Committee members:  
EUR 7,500;
- Additional remuneration for the Chairs of the other Committees: EUR 10,000; and
- Additional remuneration for the members of the other Committees: EUR 5,000.

**5. Discharge of the directors**

*Draft resolution (Resolution V)*

The General Meeting decides to grant discharge to the members of the Board of Directors in relation to the financial year 2012.

**6. Election of members of the Board of Directors**

*Background*

The mandate of each of the six following directors will have come to an end on the date of this General Meeting: Mr. Lakshmi N. Mittal, Mr. Romain Bausch, Mr. David B. Burritt, Ms. Kathryn A. Matthews, Mr. Aditya Mittal and Mr. Gonzalo Urquijo.

The tabled proposal is to re-elect Mr. Lakshmi N. Mittal, Mr. Romain Bausch, Mr. David B. Burritt, Ms. Kathryn A. Matthews, Mr. Aditya Mittal and Mr. Gonzalo Urquijo as members of the Board of Directors of the Company for another three-year term. The biographical information for the six directors up for re-election is included in Aperam's Annual Report 2012 available on our website [www.aperam.com](http://www.aperam.com) under "About" – "Investors & shareholders" - "Shareholders' Meetings" - "8 May 2013 - Annual General Meeting of Shareholders". Ms. Kathryn A. Matthews will cease to be a director of the investment fund board of publicly listed Conversus Capital on or about April 30, 2013 and will from such date serve on the board of four public listed companies (one corporate board and three investment funds boards) in addition to the Aperam Board of Directors.

*Draft resolution (Resolution VI)*

The General Meeting re-elects Mr. Lakshmi N. Mittal as director of Aperam for a three-year mandate that will automatically expire on the date of the General Meeting of shareholders to be held in 2016.

*Draft resolution (Resolution VII)*

The General Meeting re-elects Mr. Romain Bausch as director of Aperam for a three-year mandate that will automatically expire on the date of the General Meeting of shareholders to be held in 2016.

*Draft resolution (Resolution VIII)*

The General Meeting re-elects Mr. David B. Burritt as director of Aperam for a three-year mandate that will automatically expire on the date of the General Meeting of shareholders to be held in 2016.

*Draft resolution (Resolution IX)*

The General Meeting re-elects Ms. Kathryn A. Matthews as director of Aperam for a three-year mandate that will automatically expire on the date of the General Meeting of shareholders to be held in 2016.

*Draft resolution (Resolution X)*

The General Meeting re-elects Mr. Aditya Mittal as director of Aperam for a three-year mandate that will automatically expire on the date of the General Meeting of shareholders to be held in 2016.

*Draft resolution (Resolution XI)*

The General Meeting re-elects Mr. Gonzalo Urquijo as director of Aperam for a three-year mandate that will automatically expire on the date of the General Meeting of shareholders to be held in 2016.

**7. Appointment of a *réviseur d'entreprises agréé* (authorised statutory auditor) for the purposes of the audit of the Consolidated Financial Statements and the Parent Company Annual Accounts as of and for the year ended 31 December 2013**

*Draft resolution (Resolution XII)*

The General Meeting decides to appoint Deloitte Audit société à responsabilité limitée with registered office at 560, rue de Neudorf, L-2220 Luxembourg, Grand-Duchy of Luxembourg, as independent company auditor (*Réviseur d'Entreprises Agréé*) for the purposes of an independent audit of the Consolidated Financial Statements and Parent Company Annual Accounts of the Company as of and for the year ended 31 December 2013.

**8. Authorisation of grants of share based incentives**

*Background*

The Management Committee Performance Share Unit Plan (the "MC PSU Plan") is designed to enhance the long-term performance of the Company and align the members of our Management Committee ("MC") to the Company's objectives. The MC PSU Plan complements Aperam's existing program of annual performance-related bonuses which is the Company's reward system for short-term performance and achievements. The main objective of the MC PSU Plan is to be an effective performance-enhancing scheme for MC members based on the achievement of Aperam's strategy aimed at creating a measurable long-term shareholder value.

The members of the MC including the Chief Executive Officer will be eligible for Performance Share Unit ("PSU") grants. The MC PSU Plan provides for cliff vesting on the third year anniversary of the grant date, under the condition that the relevant MC member continues to be actively employed by the Aperam group on that date. If the MC member is retired on that date or

in case of an early retirement by mutual consent, the relevant MC member will not automatically forfeit PSUs and pro rata vesting will be considered at the end of the vesting period at the sole discretion of the Company. Awards under the MC PSU Plan are subject to the fulfillment of cumulative performance criteria over a three-year period from the date of the PSU grant. The value of the grant at grant date will equal 35% of the year base salary for the Chief Executive Officer and for the other MC members. Each PSU may give right to up to two (2) shares of the Company.

Two sets of performance criteria must be met for vesting of the PSUs.

- 50% of the criteria is based on the Total Shareholder Return (“TSR”) defined as the share price at the end of the period minus the share price at start of the period plus any dividend paid divided by the share price at the start of the period. “Start of the period” and “end of the period” will be defined by the Remuneration, Nomination and Corporate Governance Committee of the Board of Directors. This will then be compared with a peer group of companies. No vesting will take place for performance below 80% of the median compared to the peer group over three years. The percentage of PSUs vesting will be 50% for achieving 80% of the median TSR, 100% for achieving the median TSR, 150% for achieving 120% of the median TSR, and up to a maximum of 200% for an achievement above the upper quartile.
- The other 50% of the criteria to be met to trigger vesting of the PSUs is based on the development of Earnings Per Share (“EPS”), defined as the amount of earnings per share outstanding compared to a peer group of companies. The percentage of PSUs vesting will be 50% for achieving 80% of the median EPS, 100% for achieving the median EPS, 150% for achieving 120% of the median EPS, and up to a maximum 200% for an achievement above the upper quartile.

An explanatory presentation is available on [www.aperam.com](http://www.aperam.com) under “About” – “Investors & shareholders” - “Shareholders’ Meetings” - “8 May 2013 - Annual General Meeting of Shareholders”.

The allocation of PSUs to eligible MC members is reviewed by the Remuneration, Nomination and Corporate Governance Committee of the Board of Directors, which is comprised of three independent directors, and which makes a proposal and recommendation to the full Board of Directors. The vesting criteria of the PSUs are also monitored by the Remuneration, Nomination and Corporate Governance Committee. The Company will report in its Annual Reports on the progress of meeting the vesting criteria on each grant anniversary date as well as on the applicable peer group.

The 2013 Cap for the number of PSUs that may be allocated to the MC members and other retention based grants below the MC level, if any, is proposed to be set at a maximum of 220,000 (two hundred and twenty thousand) shares (the “2013 Cap”), representing less than 0.29% of the Company’s current issued share capital on a diluted basis.

*Draft resolution (Resolution XIII)*

The General Meeting acknowledges the above background information provided about the MC PSU Plan and authorises the Board of Directors:

(a) to issue up to 220,000 (two hundred and twenty thousand) of the Company’s fully paid-up ordinary shares under the 2013 Cap, which may be either newly issued shares or shares held in treasury, such authorisation to be valid from the date of this General Meeting until the General Meeting of shareholders to be held in 2014,

(b) to adopt any rules or measures to implement the MC PSU Plan and other retention based grants below the level of the MC Members that the Board of Directors may at its discretion consider appropriate,

(c) to decide and implement any increase of the 2013 Cap by the additional number of shares of the Company necessary to preserve the rights of the grantees of PSUs in the event of a transaction impacting the Company's share capital, and

(d) to do or cause to be done all such further acts and things as the Board of Directors may determine to be necessary or advisable in order to implement the content and purpose of this resolution.

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The Annual General Meeting will validly deliberate on all resolutions on the agenda regardless of the number of shareholders present and of the number of shares represented, and the resolutions relating to these agenda items will be adopted by a simple majority of the votes validly cast by shareholders present or represented. Each share is entitled to one vote.

A copy of the documentation related to the General Meeting is available from the date of publication of this convening notice on the Company's website [www.aperam.com](http://www.aperam.com) under "About" – "Investors & shareholders" - "Shareholders' Meetings" - "8 May 2013 - Annual General Meeting of Shareholders". Shareholders may obtain free of charge a hard copy of the Annual Report 2012 (only available in English) at the Company's registered office or by calling +352 27 36 27 144, sending a fax to +352 27 36 27 244, or by e-mail to [contact@aperam.com](mailto:contact@aperam.com).

#### **Addition of agenda items or tabling of alternative resolutions**

One or more shareholders holding together at least 5% of the issued share capital of the Company have the right to add new items to the agenda of the General Meeting and/or table draft resolutions regarding existing or new agenda items. Any such request must be received by the Company before 6.00 p.m. Central European Time ("CET") on 16 April 2013. The request must be made in writing by e-mail (to [laurent.beauloye@aperam.com](mailto:laurent.beauloye@aperam.com)) or postal mail (to Aperam, Company Secretary, 12C, Rue Guillaume Kroll, L-1882 Luxembourg, G.D. Luxembourg) and must include either (a) the text of the new agenda item and/or a draft resolution, and a background explanation or (b) an alternative resolution for an existing agenda item, with a clear identification of the agenda item concerned, the text of the proposed alternative resolution, and a background explanation. The request must include the name of a contact person and a contact address (postal address and e-mail) to enable the Company to confirm receipt within 48 hours, and proof must be provided (in the form of a confirmation issued by a financial intermediary) that the requestor was a shareholder of the Company on the Record Date (as defined below under "Conditions for personal attendance").

#### **Ability to ask questions ahead of the General Meeting**

Shareholders have the right to ask questions about items on the agenda of the Annual General Meeting ahead of and during the meeting. The Company will on a best efforts basis provide responses to the questions during the questions & answers session. Questions must be received by the Company before 6:00 p.m. CET on 30 April 2013. Questions must be sent by e-mail to [laurent.beauloye@aperam.com](mailto:laurent.beauloye@aperam.com) and include the shareholder's full name and address and a proof of ownership of Company shares issued by a financial intermediary and dated between 5 April and 30 April 2013.

## **General Meeting – Attending in person or voting by proxy**

Only shareholders who were holders of record of European Shares or New York Shares on the Record Date are allowed to vote and participate in the General Meeting. **The “Record Date” is defined as 24 April 2013 at midnight (24:00 hours) CET and 6:00 p.m. (18:00 hours) New York time.**

Aperam shares are divided into two categories: European Shares and New York Shares. “**European Shares**” are the shares directly or indirectly recorded in the Company’s shareholders’ register held in Luxembourg. “**New York Shares**” are the shares directly or indirectly recorded in the Company’s shareholders’ register held in New York. The listing agent for the European Shares is BNP Paribas Securities Services and the listing agent for the New York Shares is Citibank, N.A.

### **1. Conditions for personal attendance**

#### ***(i) Holders of shares whose ownership is directly recorded***

Shareholders who own European Shares or New York Shares and whose ownership is directly recorded in their own name in the Company shareholders’ register should announce their intention to attend and vote at the General Meeting by completing, signing, dating the participation form available in English and French on request from the Centralisation Agent or the Company’s website [www.aperam.com](http://www.aperam.com) under “About” – “Investors & shareholders” - “Shareholders’ Meetings” - “8 May 2013 - Annual General Meeting of Shareholders”, and sending it to:

- For holders of European Shares on the Record Date:  
BNP Paribas Securities Services - Corporate Trust Services  
CTS – Assemblée Centralisée  
Grands Moulins de Pantin  
9, rue du Débarcadère, F-93761 Pantin Cedex, France  
Tel.: + 33 1 57 43 83 02; Fax: + 33 1 55 77 95 01 or +33 1 40 14 58 90

- For holders of New York Shares on the Record Date:  
Citibank Shareholder Services  
P.O. Box 43077  
Providence, Rhode Island 02940-3077, United States of America  
Tel.: 1-877-CITI-ADR (toll free) (U.S. only): Tel.: + 1 781-575-4555 (International). Fax: 1-201-324-3284.  
e-mail: [citibank@shareholders-online.com](mailto:citibank@shareholders-online.com)

Holders whose ownership is directly recorded in the Company’s shareholders’ register include current and former employees holding through the AESOPE plan.

The participation form must be received no later than 3 May 2013 by 5.00 p.m. CET by BNP Paribas Securities Services for European Shares and by 10.00 a.m. New York time by Citibank Shareholder Services for New York Shares.

#### ***(ii) Holders whose ownership is indirectly recorded (shares held in clearing)***

The holders of European Shares and New York Shares held in clearing and whose ownership is therefore considered indirectly recorded in the Company’s shareholders’ register include employees who acquired Company shares through the Employee Share Purchase Plan (“ESPP”) 2008, 2009 or 2010.

Holders of European Shares on the Record Date whose ownership is indirectly recorded, through a clearing system (e.g. Euroclear), in the Company’s shareholders’ (including U.S. and Canada residents) register and who wish to attend and vote at the General Meeting in person must ask their financial intermediary (bank, broker or other financial institution or intermediary)

where their shares are on deposit to send a registration certificate to the relevant Centralisation Agent who must receive it no later than 5.00 p.m. CET on 3 May 2013. The registration certificate must indicate the identity of the owner of the Aperam shares, the number of shares registered, and a statement that the relevant shares were registered in the financial intermediary's records in the holder's name on the Record Date. When the Centralisation Agent has received the registration certificate, an attendance card will be sent to the relevant shareholder.

Holders of New York Shares on the Record Date whose ownership is indirectly recorded (through a clearing system) in the Company's New York shareholders' register and who wish to attend and vote at the General Meeting in person must have their financial intermediary (bank or other financial institution or intermediary) or its agent where their shares are on deposit issue a proxy to them. The proxy will confirm that they owned the relevant number of New York Shares on the Record Date and are authorised to attend and vote at the General Meeting. In addition to issuing a proxy, the financial intermediary must complete and return a New York Share registration request to Citibank, which must be received by Citibank no later than 10.00 a.m. New York time on 3 May 2013. The holders of New York Shares must bring the proxy received from their financial intermediary to the General Meeting; the proxy will serve as attendance card for the General Meeting.

The annual report 2012 is available on the Company's website [www.aperam.com](http://www.aperam.com) under "About" – "Investors & shareholders" - "Shareholders' Meetings" - "8 May 2013 - Annual General Meeting of Shareholders" or on request by calling +352 27 36 27 144 or by sending a fax to +352 27 36 27 244 or an e-mail to [contact@aperam.com](mailto:contact@aperam.com).

Holders of European Shares or New York Shares who wish to attend the General Meeting in person must bring their attendance card and a proof of their identity (in the form of a non-expired identity card or passport) to the General Meeting. In order for the General Meeting to proceed in a timely and orderly manner, shareholders are requested to arrive on time. The doors will open at 1.30 p.m. CET and the General Meeting will start promptly at 3.00 p.m. CET.

● Holders of European Shares on the Record Date who received them through the ESPP (including U.S. and Canada residents) and who wish to attend and vote in person must complete, sign and date the participation form or the proxy form (available in English and French) which can be obtained by contacting:

BNP Paribas Securities Services, Corporate Trust Services  
CTS – *Assemblée Centralisée*  
Grands Moulins de Pantin  
9, rue du Débarcadère, F-93761 Pantin Cedex, France  
Tel.: + 33 1 57 43 83 02; Fax: + 33 1 55 77 95 01 or +33 1 40 14 58 90

The forms can also be downloaded from the Company's website [www.aperam.com](http://www.aperam.com) under "About" – "Investors & shareholders" - "Shareholders' Meetings" - "8 May 2013 - Annual General Meeting of Shareholders". The completed, signed and dated proxy form must be received by the Centralisation Agent no later than 5.00 p.m. CET on 3 May 2013.

## **2. Conditions for proxy voting or appointing a proxy**

### **(i) European Shares**

Holders of European Shares on the Record Date who are unable to attend the General Meeting in person may give voting instructions to the Company Secretary, Mr. Laurent Beauloye, or to any other person designated by them. In order to give voting instructions to the Company Secretary, holders of European Shares whose ownership is directly recorded must have obtained and delivered to the Centralisation Agent the completed, dated and signed proxy form described above (see "Conditions for personal attendance", above) by 5.00 p.m. CET on 3 May 2013.



Holders of European Shares whose ownership is indirectly recorded must have obtained and delivered to their financial intermediary the completed, dated and signed proxy form described above (see “Conditions for personal attendance”, above); this financial intermediary will have to provide the relevant Centralising Agent with the proxy form and the registration certificate by 5.00 p.m. CET on 3 May 2013.

The Company Secretary will vote in accordance with the instructions given by the shareholder in the proxy form. If no voting instructions are given in the proxy form, the Company Secretary will vote in favour of the resolutions proposed and supported by the Board of Directors. The registration certificate and the proxy form may be obtained from the relevant Centralisation Agent. The proxy form can be downloaded in English and French from [www.aperam.com](http://www.aperam.com) under “About” – “Investors & shareholders” - “Shareholders’ Meetings” - “8 May 2013 - Annual General Meeting of Shareholders”.

Holders of European Shares who wish to revoke their proxy may do so by timely delivering a properly executed later-dated proxy to the relevant Centralisation Agent no later than 5.00 p.m. CET on 3 May 2013, or by attending and voting in person at the General Meeting.

(ii) New York Shares

Holders of New York Shares on the Record Date who are unable to attend the General Meeting in person must follow the voting procedures and instructions received from their financial intermediary or, as the case may be, its procedures on changing or revoking voting instructions. Attending the General Meeting without voting will not revoke the proxy.

Persons designated as a proxy by holders of European Shares or New York Shares on the Record Date and who wish to attend the General Meeting in person must bring their proxy card and a proof of their identity (in the form of either a non-expired identity card or a passport) to the General Meeting. In order for the General Meeting to proceed in a timely and orderly manner, proxy holders are requested to arrive on time. The doors will open at 1.30 p.m. CET and the General Meeting will start promptly at 3.00 p.m. CET.

### **3. Request for information and contact details of Centralisation Agents**

Shareholders requiring more information may do so by:

- ***Contacting the Centralising Agents:***

- For European Shares included in the Euroclear Nederland system and admitted to trading on NYSE Euronext (Amsterdam, Paris), the Centralisation Agent is:

BNP Paribas Securities Services, Corporate Trust Services

CTS – *Assemblée Centralisée*

Grands Moulins de Pantin

9, rue du Débarcadère, F-93761 Pantin Cedex, France

Tel.: + 33 1 57 43 83 02 ; Fax: + 33 1 55 77 95 01 or + 33 1 40 14 58 90

- For European Shares included in the Clearstream Banking or Euroclear Bank system and admitted to trading on the Luxembourg Stock Exchange’s regulated market, the Centralisation Agent is:

BNP Paribas Securities Services

Corporate Trust Services - Corporate Action

33, rue de Gasperich

L - 2085 Luxembourg, Grand-Duchy of Luxembourg

Tel.: +352 26 96 2389 / 62455 / 2407; Fax: + 352 26 96 97 57

- For New York Shares traded over the counter, the Centralisation Agent is:

Citibank Shareholder Services

P.O. Box 43077

Providence, Rhode Island 02940-3077, United States of America

Tel.: 1-877-CITI-ADR (toll free) (U.S. only): Tel.: + 1 781-575-4555 (International). Fax: 1-201-324-3284.

e-mail: [citibank@shareholders-online.com](mailto:citibank@shareholders-online.com)

• ***Contacting the Company's Investor Relations department:***

Tel.: +352 27 36 27 144; Fax: +352 27 36 27 244

E-mail: [contact@aperam.com](mailto:contact@aperam.com)

Luxembourg, 8 April 2013

*For the Board of Directors*

*(The Chairman)*