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Corporate governance

As required by the SIX Swiss Exchange's Directive on Information Relating to Corporate Governance of 20 March 2018, in force since 1 May 2018, (Directive Corporate Governance, DCG), this chapter describes those main principles of Implenla Group's organisation and structure that directly or indirectly affect the interests of shareholders and other stakeholders. Unless stated otherwise, the details are correct as of the balance sheet date (31 December 2018)

The structuring and numbering of this chapter correspond to the scheme set out in the appendix to the DCG. Information on remuneration, profit-sharing and loans is summarised in the Remuneration Report (see pages 173 et seqq.).

Implenla's principles and rules regarding corporate governance are set out in its Articles of Association and organisational regulations. Rules on acceptable business practices and correct standards of behaviour for all Implenla Group employees are set out in its Code of Conduct.

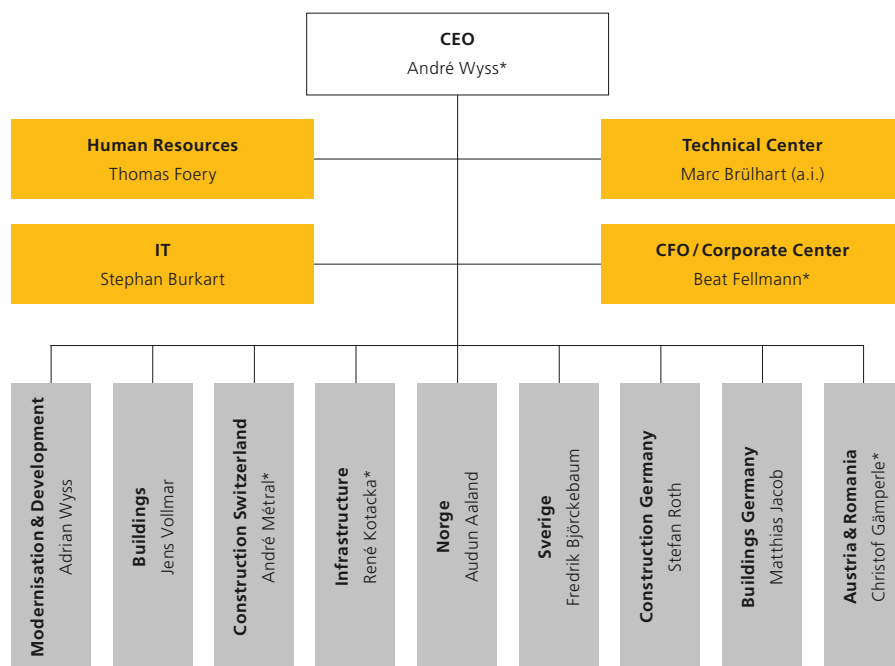
The Articles of Association of 27 March 2018 ("Articles of Association") and the Organisational and Management Regulations of 21 December 2015 ("OR Implenla"), both of which applied on the balance sheet date of the year under review, as well as the Code of Conduct, are available on Implenla's website under the following links.

🔗 <http://www.implenla.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

🔗 <http://www.implenla.com/goto/corporategovernance/2018/en/OR-Implenla-20151221.pdf>

🔗 <http://www.implenla.com/goto/corporategovernance/2018/en/Code-of-Conduct-20181112.pdf>

Implenia Group



* Member of the Group Executive Board (GEB)

Operational units
Corporate units

1. Group structure and shareholders

1.1 Group structure

1.1.1 Operational group structure (as at 31 December 2018, valid until 28 February 2019)

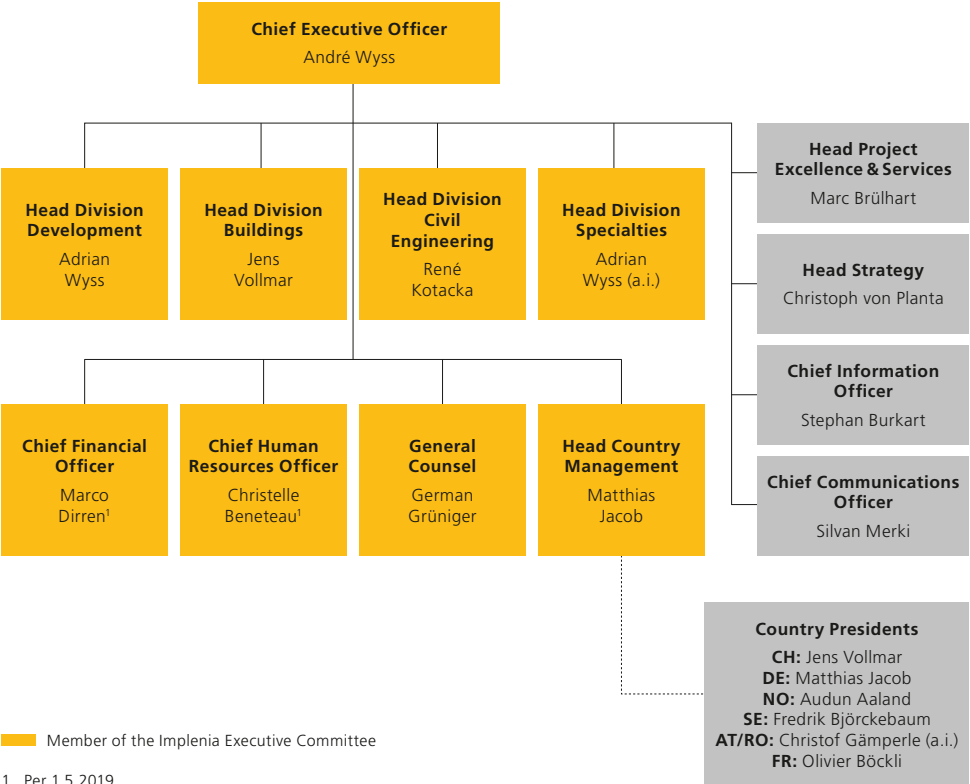
Implenia Ltd., which is organised as a holding company, is the group company responsible for overall management of Implenia Group.

In the 2018 financial year and up to and including 28 February 2019, Implenia was divided into the same operating business units as in the previous year (see chart above).

Operational units were supported by the Group corporate units: Human Resources, Technical Center, IT, and the Corporate Center. The Corporate Center provides central services including Corporate Controlling, Corporate Reporting & Tax, Business Development, Treasury & Investor Relations, Legal, Marketing/Communications, Insurance and Procurement.

Implenia's reporting is based on five segments: Development, Switzerland, Infrastructure, International and Miscellaneous/Holding. Segment activities are described in the notes to Implenia's consolidated financial statements (see pages 228–229).

Implenia Group (as of 1 March 2019)



1 Per 1.5.2019

1.1.2 Operational group structure (as of 1 March 2019)

As of 1 March 2019, Implenia will be organised into four divisions, several global functions and a competence centre (see chart above). The Development, Buildings, Civil Engineering and Specialties divisions operate successfully in their markets by taking entrepreneurial responsibility and applying their wealth of expertise. The global functions (Finance, HR, Legal, Marketing/Communications and IT) support the divisions and provide Group-wide leadership in their areas. The “Project Excellence & Services” competence centre supports the divisions as they carry out their projects. To ensure Implenia remains close to its customers and maintains deep local roots, it is establishing regional and national organisations to represent its interests across all divisions.

1.1.3 Listed companies within the Group

Implenia Group comprises only one publicly listed company, Implenla Ltd., which has its registered office in Dietlikon, Canton Zurich. It has been listed on the SIX Swiss Exchange Ltd. (Valor number: 2 386 855, ISIN: CH0023868554, valor symbol: IMPN) since 6 March 2006. Implenla Group owns no investments in listed companies within its scope of consolidation. As at 31 December 2018, Implenla Ltd.'s market capitalisation amounted to CHF 611 million.

1.1.4 Unlisted companies within the Group

Significant unlisted companies within the Group, including their official names, registered offices, share capital and the stake held by the Group, are shown on pages 290–291 in the Notes to the consolidated financial statements of Implenla.

1.2 Significant shareholders

The Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FMIA) dictates that shareholders of a listed company in Switzerland whose voting rights reach, exceed or fall below certain thresholds based on their proportion of total share capital must report and disclose these movements.

According to disclosure notifications made to SIX Swiss Exchange Ltd. and the Share Register, the shareholders listed below held more than 3% of Implenla Ltd.'s share capital and voting rights on 31 December 2018.

Significant shareholders

Shareholder	Shareholdings
Parmino Holding AG/Max Rössler	16.3%
Rudolf Maag	5.4%
Credit Suisse Funds AG	3.1%
Dimensional Holdings Inc.	3.0%

All reports relating to disclosures pursuant to Art. 120 FMIA published during the year under review and since 1 January 2019 can be found at the Disclosure Office of the SIX Swiss Exchange Ltd. at the following link:

🔗 <https://www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html>

1.3 Cross-shareholdings

There are no cross-shareholdings.

2. Capital Structure

2.1 Capital

As at 31 December 2018, Implenia Ltd.'s share capital amounts to CHF 18,841,440, divided into 18,472,000 registered shares with a par value of CHF 1.02 each. The shares are fully paid up. As at the balance sheet date, Implenia Ltd. also had conditional capital of CHF 3,768,288. Based on this conditional capital, the share capital can be increased in line with the criteria set out in Art. 3b of the Articles of Association by a total of CHF 3,768,288.

2.2 Conditional and authorised capital in particular

Conditional capital (Art. 3b of the Articles of Association)

Conditional capital amounts to a maximum of CHF 3,768,288, or 20% of existing share capital. An increase from conditional capital would be effected by issuing a maximum of 3,694,400 fully paid-up registered shares with a par value of CHF 1.02 each through the exercise of conversion and/or option rights issued in conjunction with bonds or other financial market instruments of Implenia Ltd. or one of its Group companies. If bonds or other financial market instruments carrying conversion and/or option rights are issued, the shareholders do not have a subscription right. The current owners of conversion and/or option rights are entitled to subscribe to new shares. The conversion and/or option conditions will be determined by the Board of Directors (Art. 3b para. 1 of the Articles of Association).

There was no increase from conditional capital during the year under review, i.e. no conversion and/or option rights were exercised in connection with the convertible bonds issued on 30 June 2015 (see section 2.7 below). More information on conversion and/or option rights and the terms and conditions that apply to them can be found in Art. 3b of the Articles of Association.

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

Authorised capital (Art. 3a of the Articles of Association)

The company has no authorised capital.

2.3 Changes in capital over the last three financial years

Share capital remained unchanged in the years between 2016 and 2018. During this period Implenia Ltd.'s equity changed as follows:

Changes in capital over the last three years

	31.12.2018	31.12.2017	31.12.2016
	1000 CHF	1000 CHF	1000 CHF
Share capital	18,841	18,841	18,841
Statutory capital reserves			
– Reserves from capital contributions	132	132	132
Statutory retained earnings	16,185	16,185	16,185
Retained earnings			
– Profit carried forward	310,147	284,556	278,214
– Profit for the year	64,025	62,210	42,955
Treasury shares	(4,468)	(14,090)	(5,498)
Total equity	404,862	367,834	350,829

For more information on changes in capital during the 2016 and 2017 reporting periods, please refer to the relevant annual reports.

🔗 <http://annualreport.impenia.com/en/gb2017/home.html>

🔗 <http://annualreport.impenia.com/en/gb2016/home.html>

2.4 Shares and participation certificates

As at 31 December 2018, the share capital is divided into 18,472,000 fully paid-up registered shares with a par value of CHF 1.02 each. Subject to the provisions of Art. 7 of the Articles of Association, each share gives the right to one vote. There are no voting right shares or other shares with preferential rights. All registered shares rank for dividends apart from shares held by Implenia Ltd. itself.

🔗 <http://www.impenia.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

Impenia Ltd. has not issued any participation certificates.

2.5 Dividend-right certificates

Impenia Ltd. has not issued any dividend-right certificates.

2.6 Restrictions on transferability and nominee registrations

2.6.1 Restrictions on transferability

There is no statutory percentage clause which would allow any limitation of transferability of Implenla Ltd.'s shares pursuant to Art. 685d para.1 Swiss Code of Obligations. Pursuant to Art. 7 para. 4 lit. a and lit. b of the Articles of Association, the Board of Directors can refuse to register an owner of registered shares as a shareholder with voting rights in the Share Register if (i) this owner does not provide evidence on Implenla Ltd.'s request that it acquired and holds the shares in its own name and on its own account (Art. 7 para. 4 lit. a of the Articles of Association), or (ii) information available to Implenla Ltd. indicates that recognition of this owner as a shareholder would or could prevent Implenla Ltd. and/or its subsidiaries from providing the legally required evidence about the composition of its shareholder body and/or the beneficial owners of the shares (Art. 7 para. 4 lit. b of the Articles of Association).

Because Implenla Group is active in project development and real estate business, Implenla Ltd. is specifically entitled to refuse to register persons abroad (pursuant to the Federal Law on the Acquisition of Real Estate by Persons Abroad, BewG), if this could raise any doubt about the Swiss control of the company and/or its subsidiaries.

The details of how Art. 7 para. 4 lit. b of the Articles of Association is implemented are set out in the Regulation on Registration of Registered Shares and Keeping of the Share Register of Implenla Ltd. of 4 February 2013 ("Registration Regulations").

🔗 <http://www.implenla.com/goto/corporategovernance/2018/en/Registration-Regulations-20130204.pdf>

🔗 <http://www.implenla.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

Section 5 of the Registration Regulations states that the Board of Directors shall register a foreign shareholder in the Share Register as a shareholder with voting rights, provided:

- i. the foreign shareholder meets the conditions that apply to all shareholders (sections 2 to 4 of the Registration Regulations);
- ii. the total number of shares held by foreign shareholders that are registered as shareholders with voting rights (including the foreign shareholders applying for registration) does not exceed 20% of the total number of shares held by shareholders that are registered with voting rights; and
- iii. the number of shares held by such applying foreign shareholder and registered with voting rights does not exceed 10% of the total of shares of all shareholders registered with voting rights.

Above these limits, foreign shareholders will only be registered if a decision by the competent authorities is presented at Implenla Ltd.'s headquarters to the effect that Implenla Ltd. and its subsidiaries shall not be considered as foreign-controlled even after the new foreign shareholder is entered in the Share Register. Any shareholder falling within the definition of a person living abroad as per Art. 5 BewG in conjunction with Art. 6 BewG shall be considered as a foreign shareholder. Nominees that have not disclosed the shareholders they represent shall also be regarded as foreign shareholders as defined in this clause.

2.6.2 Granting exceptions

No exceptions were granted during the year under review.

2.6.3 Admissibility of nominee registrations

According to section 4 of the Registration Regulations, nominees are persons who do not explicitly declare in their application for registration that they hold the shares for their own account. According to Art. 7 para. 4 lit. a of the Articles of Association, nominees will be registered in the Share Register if they declare in writing that they are prepared to disclose the names, addresses and shareholdings of any persons for whose account they are holding the shares, or if they disclose this information immediately when first requested. The precise wording of this rule can be read in the Articles of Association.

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

Pursuant to section 4 of the Registration Regulations, the Board of Directors will register nominees in the Share Register as shareholders with voting rights up to an acknowledged percentage of 1% of the total share capital entered in the commercial register, as long as the nominees declare in writing that they are prepared to disclose the names, addresses and shareholdings of any person for whose account they are holding the shares and provided they immediately disclose this information in writing on first request. The nominee must have concluded agreements with the Board of Directors regarding its position. Registered shares held by a nominee will only be entered in the Share Register with voting rights above this 1% limit if the nominee concerned discloses the names, addresses, place of residence or domicile and shareholdings of any person for whose account they are holding 0.25% or more of the share capital entered in the Commercial Register.

Further information about this can be found in the Registration Regulations.

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/Registration-Regulations-20130204.pdf>

Registration as a nominee requires the nominee to have made a legally valid application in accordance with the appendix to the Registration Regulations (Application for Registration as Nominee). The relevant form is on the Implenia website.

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/Application-for-Registration-Nominees.pdf>

2.6.4 Procedure and conditions for cancelling privileges and restrictions on transferability laid down in the Articles of Association

The Articles of Association grant no privileges. Cancellation of transferability restrictions requires a resolution by the General Meeting adopted by at least two thirds of the votes represented at the meeting and an absolute majority of the par value of shares represented at the meeting (Art. 16 para. 1 lit. c of the Articles of Association).

2.7 Convertible bonds and options

On 30 June 2015, Implenia Ltd. issued a subordinated convertible bond worth CHF 175,000,000 (Valor symbol: IMP15, ISIN: CH0285509359). This convertible bond is due for repayment on 30 June 2022 provided it is not redeemed, converted, bought back or cancelled before then. The convertible bond has an annual coupon of 0.500%. The conversion price is CHF 75.06. The convertible bond will be convertible into around 2.33 million shares of Implenia Ltd., which is equivalent to around 12.6% of currently outstanding shares. The shares to be delivered as a result of conversion will be made available by providing new shares from conditional capital. There are no other outstanding convertible bonds or options.

3. Board of Directors

3.1 Members of the Board of Directors

The Board of Directors, which according to the Articles of Association must have at least five members, currently has six. Chantal Balet Emery decided not to stand for re-election at the Annual General Meeting of 27 March 2018. Martin A. Fischer was newly elected to the Board.

None of the Members of the Board of Directors performs an operational management role for Implenla Ltd. or any of its group companies. Neither has any Member of the Board of Directors been part of the Group Executive Board of Implenla Ltd. or any of its Group companies during the last three financial years. No Member of the Board of Directors has any significant business relationships with the Implenla Group.

On 31 December 2018 the Board of Directors had the following members:

Name	Nationality	Function	In office since ¹
Hans Ulrich Meister	Switzerland	Chairman	2016
Kyrre Olaf Johansen	Norway	Vice Chairman	2016
Henner Mahlstedt	Germany	Member	2015
Ines Pöschel	Switzerland	Member	2016
Laurent Vulliet	Switzerland	Member	2016
Martin A. Fischer	Switzerland and USA	Member	2018

¹ Annual General Meeting in that year.

3.2 Education, activities and interests

The following list provides the main details of each Board Member’s education, training and professional career. It also details each Board Member’s mandates outside the Group, as well as any other significant activities, such as permanent roles within major interest groups.

Hans Ulrich Meister

(born 1959, Swiss, non-executive)

Hans Ulrich Meister has been a Member and Chairman of the Board of Directors since March 2016. Between 2008 and March 2016, Hans Ulrich Meister was CEO of the Switzerland Region for Credit Suisse. From 2011 he was also CEO of the Private Banking Division and from 2012 Head of the Private Banking & Wealth Management Division, responsible for private banking business in EMEA (Europe, Middle East, Africa) and Asia Pacific. In these roles he was also a Member of the Executive Boards of Credit Suisse Group AG and Credit Suisse AG. Previously, he performed various management functions for UBS in Switzerland and internationally for over 20 years, finishing as Head of Private and Corporate Clients between 2005 and 2007. From 2004 he was also a member of the UBS Group Managing Board. Before that he was responsible for the division Large Corporates & Multinationals. In 2002 he worked for UBS's Wealth Management USA operation in New York. Hans Ulrich Meister has a business degree from Zurich University of Applied Sciences and graduated from the Advanced Management Program of Wharton School and Harvard Business School.



Kyrre Olaf Johansen

(born 1962, Norwegian, non-executive)

Kyrre Olaf Johansen has been Vice Chairman of the Board of Directors since March 2017 and a Member of the Board since March 2016. He is also a member of the Audit Committee. Since 2013, Kyrre Olaf Johansen has been CEO of Norsk Mineral AS, which works internationally in the minerals, real estate, industry, finance and renewable energy sectors. From 2008 to 2012 he was CEO of real estate company Entra Eiendom with a portfolio of almost CHF 3 billion. After completing his masters in construction engineering in 1986, he worked as an engineering consultant until 1991. In 1989, he earned a degree as business candidate at the BI Norwegian Business School. From 1991 to 1998 he held various management positions on construction projects at ABB Power Generation AG in Baden, Switzerland. In 1999 he became regional head of the Norwegian branch of NCC, an internationally active construction and real estate company based in Sweden. In 2000 he became CEO of the road construction division of NCC Industri, now NCC Roads. Between 2003 and 2008, as CEO of Mesta AS, he was in charge of one of Norway's biggest roadbuilders. Kyrre Olaf Johansen has extensive management experience in various industries and is a leading proponent of a value-based management culture.



Henner Mahlstedt

(born 1953, German, non-executive)

Henner Mahlstedt has been a Member of the Board of Directors since March 2015. He is also Chairman of the Audit Committee. Henner Mahlstedt studied civil engineering at the Technical University of Braunschweig. From 1980 to 2001 Henner Mahlstedt held various management positions at Strabag Hoch- und Ingenieurbau AG in Hamburg, Berlin and Cologne, from 1997 to 2001 as a Member of the Executive Board. He then served as CEO of Pegel & Sohn GmbH + Co. KG in Berlin before moving in 2003 to take charge of the new federal states for Hochtief Group. In 2005 he was appointed to the Executive Board of Hochtief Construction AG in Essen; from 2007 until the end of 2010 he was the Chairman of the Executive Board. Henner Mahlstedt was then appointed Chairman of the Executive Board of Hochtief Solutions AG in Essen. From 2007 to 2012 he was also a Member of the Global Group Executive Committee of Hochtief AG. In addition, he held various positions on the committees of the German Construction Industry Federation and the German Society for Concrete and Construction Technology. Henner Mahlstedt has worked at Mahlstedt Consultants GbR since mid-2012. He is also a member of the advisory board of Huesker Synthetic GmbH and is a lecturer at Westfälische Hochschule.



Ines Pöschel

(born 1968, Swiss, non-executive)

Ines Pöschel has been a Member of the Board of Directors since March 2016. She is also Chairman of the Nomination and Remuneration Committee. Since 2007 Ines Pöschel has been a Partner at law firm Kellerhals Carrard, and from 2010 to 2018 a member of the firm's Steering Committee. Before that she worked in various positions at well-known law firms in Switzerland and the USA, including as a lawyer at Bär & Karrer from 2002 to 2007, and as Senior Manager at Andersen Legal from 1999 to 2002. Ines Pöschel completed her legal studies at the University of Zurich in 1993 and was called to the bar in 1996. She is a member of various boards of directors and boards of trustees (including at Graubündner Kantonalbank and the Lotti Latrous Foundation), and she sits on the Swiss Federal Commission of Experts for the Commercial Register. She regularly lectures at renowned universities. Ines Pöschel specialises in company and capital markets law, corporate governance, and M&A transactions at private and listed companies.



Laurent Vulliet

(born 1958, Swiss, non-executive)

Laurent Vulliet has been a Member of the Board of Directors since March 2016. He is also a Member of the Nomination and Remuneration Committee. Laurent Vulliet is an independent advisor and Professor of Soil Mechanics at the Swiss Federal Institute of Technology in Lausanne (EPFL), where he also teaches risk management. Having graduated as a construction engineer from the ETH Zurich in 1980 he obtained his doctorate in 1986 from the EPFL. In 2008 he completed the Advanced Management Program at INSEAD in Fontainebleau (France). Between 2006 and 2015 he was a Member of the Board and since 2008 also CEO of BG Ingénieurs Conseils SA in Lausanne. For three years from 1986 he taught at the University of Arizona in Tucson (USA). From 1989 he worked as Senior Engineer at Cérenville Géotechnique SA in Ecublens. From 2001 until the end of 2007 he was Deacon of the ENAC faculty at the EPFL, which encompasses architecture, infrastructure and environmental sciences. Laurent Vulliet is a Member of the Swiss Academy of Engineering Sciences. From 1997 to 2007 he was also a member of the Non-Parliamentary Commission for Natural Hazards and from 2009 to 2013, Vice Chair of the Swiss Engineers and Architects Association (SIA).

**Martin A. Fischer**

(born 1960, Swiss and American, non-executive)

Martin A. Fischer has been a Member of the Board of Directors since March 2018. He is also a Member of the Nomination and Remuneration Committee. Martin A. Fischer has been Professor of Civil and Environmental Engineering at Stanford University since 1991 and Head of Stanford's Center for Integrated Facility Engineering (CIFE) since 2001. After graduating in civil engineering from the Ecole Polytechnique Fédérale (EPF) Lausanne in 1984, he earned an M.S. in industrial engineering in 1987 and a doctorate in civil engineering in 1991, both from Stanford University. Martin A. Fischer is currently a Member of the Board of Directors of RIB Software SE and President of the Supervisory Board of sfirion AG. He is known around the world for his leading role in the development of digital methods to increase the productivity of construction project teams and improve building performance, including BIM (Building Information Modelling), 4D modelling and VDC (Virtual Design & Construction). The results of his award-winning research benefit the construction industry worldwide. Martin A. Fischer has written more than 100 journal articles and book chapters, and delivered more than 100 keynote lectures on his research. He is also co-author of the book "Integrating Project Delivery", published by Wiley in 2017.



3.3 Rules included in the Articles of Association relating to the number of permitted activities allowed under Art. 12 para. 1 clause 1 OaEC

According to Art. 22e of the Articles of Association, the number of mandates that members of the Board of Directors can take in the most senior management and supervisory bodies of legal entities outside the Implenia Group that are registered in the Swiss Commercial Register or similar foreign register is limited to a maximum of 14 mandates, of which no more than four may be at listed companies. If mandates are exercised in different legal entities within one group, or on behalf of one group or legal entity, these are counted altogether as one mandate. A Member can exceed the maximum limits for a short time in line with the provision of the articles mentioned above.

The Articles of Association, containing the precise wording of the provision mentioned above, can be found on Implenia's website.

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

3.4 Election and term of office

The term of office of the Members of the Board of Directors is one year. This commences on the date of election and finishes at the end of the subsequent Annual General Meeting, unless the Member resigns or is dismissed before this (Art. 18 para. 3 of the Articles of Association). Members of the Board can be re-elected at any time (Art. 18 para. 4 of the Articles of Association), but are subject to an upper age limit of 70 years. They must leave the Board at the Annual General Meeting following their birthday (Art. 18 para. 5 of the Articles of Association).

In accordance with the provisions of the Ordinance Against Excessive Compensation at Stock Exchange Listed Companies (OaEC), the Members and Chairman of the Board of Directors and the members of the compensation committee (Nomination and Remuneration Committee) are elected individually by the General Meeting (Art. 9b and Art. 18 para. 2 of the Articles of Association). Also in line with the relevant provisions of the OaEC, the independent proxy is also elected by the General Meeting (Art. 9b of the Articles of Association). Otherwise, the Board of Directors constitutes itself and appoints its own Vice Chairman and Secretary.

With regard to dealing with a vacancy in the Chairmanship of the Board of Directors, or with the Nomination and Remuneration Committee not having sufficient Members, or with the company not having an independent proxy, the Articles of Association do not include any provisions that deviate from Art. 4 para. 4, Art. 7 para. 4 and Art. 8 para. 6 OaEC.

3.5 Internal organisation

3.5.1 Distribution of responsibilities within the Board of Directors

The Board of Directors is responsible for strategic and financial leadership of Implenia and for supervising the operational management team. It takes decisions as the most senior body, except on matters where the law gives responsibility to the General Meeting.

The Chairman of the Board of Directors convenes the Board's meetings. If the Chairman is indisposed, the Vice Chairman, or if necessary a Member of the Board of Directors nominated by the Board, convenes the meeting. The CEO and CFO regularly attend meetings of the Board of Directors. The Chairman determines the agenda, prepares the meetings and chairs them. He decides on a case-by-case basis whether to involve other people in the Board's deliberations. Any Member can request that a Board meeting be convened provided they supply an agenda and a brief justification.

The Board of Directors' duties, powers and working methods, as well as its approach to conflicts of interest, are set out in the OR Implenia and in the Table of Responsibilities of 17 February 2017 ("Table of Responsibilities").

The OR Implenia (excluding the Table of Responsibilities) can be found on the Implenia website.

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/OR-Implenia-20151221.pdf>

3.5.2 Committees of the Board of Directors

The Board of Directors has formed two committees, the Audit Committee and the Nomination and Remuneration Committee. It elects a Chairman for each committee. The Audit Committee and the Nomination and Remuneration Committee analyse the areas assigned to them by the Board of Directors and submit reports to the Board of Directors to assist with the preparation of its resolutions and perform its supervisory function. The Chairman of the individual committees inform the Board of Directors about all major points and give recommendations for the decisions that have to be adopted by the full Board of Directors. The committees’ tasks and responsibilities are set out in OR Implenia and in the Table of Responsibilities, as well as in regulations issued by the Board of Directors.

The committees organise themselves. The Board issues regulations in response to committee proposals. The committees are fundamentally advisory bodies; decision-making power is reserved for the Board of Directors as a whole. The committees only have decision-making power when this is stipulated in the Table of Responsibilities or committee regulations, or by special resolution of the Board of Directors.

The committees are authorised to carry out or commission investigations into all matters relating to their area of responsibility. They can call independent experts. The Board of Directors can appoint ad hoc committees for specific tasks and allocate powers of preparation, monitoring and/or decision-making to these committees (Art. 3.1 paras.1 and 6 OR Implenia). No ad hoc committees were formed during the year under review.

The committees and their members for the year under review are listed in the table below:

Member of the Board of Directors	Audit Committee (as of 27 March 2018)	Nomination and Remuneration Committee (as of 27 March 2018)
Hans Ulrich Meister, Chairman		
Kyrre Olaf Johansen	•	
Henner Mahlstedt	• (Chairman)	
Ines Pöschel		• (Chairman)
Laurent Vulliet		•
Martin A. Fischer		•

3.5.2.1 Audit Committee

The Audit Committee consists of at least two Members of the Board of Directors, who are nominated by the Board of Directors. The Audit Committee deals with all matters of the Board of Directors relating to the monitoring and structuring of the accounting system, financial controlling (internal control system), financial planning and risk management. This includes reporting of (current and impending) lawsuits. The Audit Committee also monitors the Compliance Management System and reports to the Board of Directors. It coordinates and harmonises the work of the internal and external auditors, is responsible for regular communication with the internal and external auditors and formulates instructions for internal and external audits. It has the authority to order special audits (Art. 3.2 OR Implenla).

Please also refer to OR Implenla for details of the Audit Committee's responsibilities:

🔗 <http://www.implenla.com/goto/corporategovernance/2018/en/OR-Implenla-20151221.pdf>

3.5.2.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee is made up of between two and four Members of the Board of Directors, each of whom are elected individually by the General Meeting. The principles governing the tasks and responsibilities of the Nomination and Remuneration Committee in relation to remuneration are determined by the General Meeting pursuant to Art. 21a of the Articles of Association and are described in more detail in the Remuneration Report (see pages 177–179).

Please also refer to OR Implenla for details of the Nomination and Remuneration Committee's responsibilities:

🔗 <http://www.implenla.com/goto/corporategovernance/2018/en/OR-Implenla-20151221.pdf>

3.5.3 Working method of the Board of Directors and its committees

The Board of Directors and its committees meet as often as business requires, but at least six times a year (Board of Directors), three times a year (Audit Committee), and twice a year (Nomination and Remuneration Committee). Meetings take place at the invitation of the Chairman respectively chair of the committee concerned. Invitations are accompanied by an agenda and meeting documents. In addition, each member is entitled to request that a meeting be convened and can request that items are added to the agenda. Each meeting of the Board of Directors is chaired by the Chairman; the committee meetings by the committee chairs. Meetings are quorate if the majority of members are present. Members who take part in the meeting via telephone or video conference shall be regarded as being present at the meeting.

The Board of Directors and its committees pass resolutions and elect members by simple majority of the votes cast by attending members. Abstentions are not permitted. If votes are tied, the Chairman respectively the person chairing the meeting has the casting vote. The results of discussions and the resolutions made are recorded in the minutes. The CEO and CFO attend meetings of the Board of Directors. Other members of the Group Executive Board and/or Business Unit Heads are invited to attend the meetings as necessary. In accordance with Art 2.3 lit. c of OR Implenia, the Board of Directors also holds meetings without the participation of the CEO, CFO or Members of the Group Executive Board.

The Chairman of the Board of Directors participates in meetings of the Audit Committee and the Nomination and Remuneration Committee as a standing guest. The Audit Committee's meetings are generally also attended by the CEO, the CFO, the Head of Corporate Controlling, the Head of Corporate Reporting & Tax, and where necessary by a representative of Internal Audit and one or more representatives of the external auditors and other persons selected by the Chairman. Meetings of the Nomination and Remuneration Committee are generally also attended by the CEO and the Head of Human Resources Group. Guests of the meetings of the Board of Directors and the committees have no voting rights. Furthermore, Members of the Group Executive Board do not attend meetings of the Nomination and Remuneration Committee or of the Board of Directors if their own performances are being assessed, or if their remuneration is being discussed. The following tables provide an overview of the meetings and conference calls held by the Board of Directors, the Audit Committee and the Nomination and Remuneration Committee in 2018:

Board of Directors¹	Meetings	Conference calls²
Total	7	10
Average duration (in hours)	4:45	1:00
Participation		
Hans Ulrich Meister, Chairman	7	10
Kyrre Olaf Johansen, Vice Chairman	7	9
Chantal Balet Emery, Member until 27 March 2018 ³	1	2
Henner Mahlstedt, Member	7	9
Ines Pöschel, Member	7	10
Laurent Vulliet, Member	7	10
Martin A. Fischer, Member as of 22 March 2018	6	7

1 The Group Executive Board was usually present in the persons of the CEO and the CFO.

2 In addition, various supplementary and preparatory meetings and telephone conferences were held, also involving third parties, as well as interviews with candidates took place.

3 Resigned from the Board of Directors on 27 March 2018.

Audit Committee¹	Meetings	Conference calls
Total	3	1
Average duration (in hours)	4:20	0:30
Participation		
Henner Mahlstedt, Chairman	3	1
Kyrre Olaf Johansen, Member	3	1

1 The Chairman of the Board of Directors, the CEO, the CFO, the Head of Corporate Controlling, the Head of Corporate Reporting & Tax and the auditors attended all meetings.

Nomination and Remuneration Committee	Meetings¹	Conference calls²
Total	3	4
Average duration (in hours)	2:25	0:50
Participation		
Ines Pöschel, Chairman	3	4
Laurent Vulliet, Member	3	4
Martin A. Fischer, Member ³	1	3
Chantal Balet Emery, Member ⁴	1	1

1 The Chairman of the Board of Directors and the CEO attended all, the CFO and the Head Human Resources Group attended two meetings.

2 In addition, various supplementary and preparatory meetings and telephone conferences were held, also involving third parties, as well as interviews with candidates.

3 Appointed to the Nomination and Remuneration Committee on 27 March 2018.

4 Resigned from the Board of Directors on 27 March 2018.

3.6 Definition of areas of responsibility

The Board of Directors is responsible by law for the ultimate direction and supervision of the Group. As well as the powers of authority reserved under Art. 716a of the Swiss Code of Obligations, the Board of Directors also takes decisions on the following major areas of business as shown in the Table of Responsibilities:

- Purchases or sales of holdings with an enterprise value of CHF 25 million or more;
- Defining target markets and deciding to enter a market;
- Defining financial policy principles (level of debt and financial indicators);
- Defining the funding concept;
- Obtaining debt capital (credit facilities, bonds, private placements and other capital market transactions, leasing, hire purchase) of more than CHF 50 million;
- Fundamental issues and guidelines relating to the investment of financial resources;
- Issuing group guarantees, warranties, bid, performance and payment bonds etc., other collateral, and contingent liabilities outside regular business activity worth more than CHF 5 million;
- Use of derivative financial products when not deployed exclusively to reduce risks.

The Board of Directors delegates the management of Implenla Group to the CEO to the extent that the law, the Articles of Association, or the OR Implenla do not stipulate otherwise, and provided that responsibilities are not delegated to the Group Executive Board or to its individual Members.

The CEO is responsible for operational management and for representing Implenla Group to the extent that these duties are not assigned to other bodies by the law, the Articles of Association or OR Implenla. He is responsible for managing the Group's business and for representing the Group, and especially for its operational management as well as for the implementation of the strategy. Unless these are reserved for the Board of Directors, he is empowered to arrange or perform the duties and powers of authority assigned to him by OR Implenla, and/or delegate these to qualified subordinate units if he instructs and monitors them accordingly.

The CEO is supported in managing the business by the Members of the Group Executive Board and the Business Unit heads, all of whom report directly to him. The CEO is responsible for reporting to the Chairman of the Board of Directors and to the Board of Directors (Art. 4.1 seq. OR Implenla). The division of powers between the Board of Directors, the CEO and the Group Executive Board is described in detail in the OR Implenla and the Table of Responsibilities.

3.7 Information and control instruments vis-à-vis the Group Executive Board

In order to monitor how the CEO and Members of the Group Executive Board perceive the competences assigned to them, the Board of Directors has various information and control instruments at its disposal, including the following:

Information and control instruments

	Annual	Semiannual	Quarterly	Monthly
MIS (Management Information System, by segment and consolidated)				•
Financial report (balance sheet, income statement and cash flow statement)			•	
Budget (by segment and consolidated)	•			
Three-year plan (by segment and consolidated)	•			
Group risk situation	•			
Risk Map for operational risks (by segment and consolidated)		•		
Compliance Reporting		•		

The MIS (Management Information System) provides monthly reporting on how business is going. The MIS report contains information about turnover, margins, costs and the operating result, plus information about orders on hand, capital spending, invested capital, liquidity and headcount. The relevant documents are submitted to the Group Executive Board and the Board of Directors together with a quarterly updated commentary and an estimate for the year as a whole.

IFRS financial reporting is submitted to the Board of Directors on a quarterly basis. Half-yearly reporting is signed off by the Board of Directors and released for publication.

As part of the budget planning for the following year, the key figures used in the MIS are estimated on the basis of expected economic developments, and defined along with the business goals for each Business Unit. These are then used to prepare the budgeted balance sheet, income statement, cash flow statement and liquidity position. The annual planning for the coming three calendar years (three-year plan) is done in the same way as the budget planning.

Implenia Group's risk situation is evaluated once a year by the Group Executive Board and Board of Directors. They define the main Group risks and assess these in terms of impact and probability. Evaluation of the risk situation includes an assessment of (current and impending) legal cases. The implementation and effectiveness of defined measures are continuously monitored by the Group Executive Board.

The risk map for operating risks and opportunities (such as those arising from projects) are assessed continually per Business Unit by the managers with operational responsibility in collaboration with the finance department. The risks and opportunities recorded are evaluated in quantitative terms as worst/real/best case. The finance department consolidates the identified risks at segment and Group level and monitors the measures taken by the managers with operational responsibility. The risk maps consolidated by segment and by Implenia Group are presented to the Audit Committee and commented on twice a year.

As part of compliance reporting, reports are submitted every six months about the Compliance Management System in general, and specifically about compliance cases, the status of investigations, and measures taken.

The internal control system is examined by the external auditor, which reports its findings to the Board of Directors in accordance with the law (Art. 728a para. 1 clause 3 and Art. 728b para. 1 Swiss Code of Obligations). Reports on the individual information tools are prepared and consolidated by the finance department. These are then presented simultaneously to the Board of Directors and Group Executive Board. At meetings of the Group Executive Board and the Audit Committee, the reports are presented and explained by the CFO and Head of Corporate Reporting & Tax.

The CEO, the CFO, the Head of Corporate Controlling and the Head of Corporate Reporting & Tax provide detailed information about the course of business, comment on this and answer questions posed by the Members of the Audit Committee.

The Board of Directors has appointed a recognized audit company to perform the internal audit function. The main focuses of the internal audit are determined by the Audit Committee on the basis of the multi-year audit plan. During the year under review, the focus was on project controlling and compliance, as well as a follow-up to previous audits. The plan for internal audit activities is implemented in consultation with the CFO. The internal auditor prepared reports in line with the audit plan and submitted these to the Audit Committee together with the necessary comments and recommendations. The Internal Audit Unit reports directly to the Audit Committee. The internal auditor's reports are given to the external auditors without qualification. There is regular exchange of information between the internal and external auditors.

4. Group Executive Board

4.1 Members of the Group Executive Board

The Group Executive Board consists of the CEO, the CFO/Head of Corporate Center and other members designated by the Board of Directors.

The following changes occurred at Group Executive Board level during the year under review: with effect as of 1 October 2018, André Wyss was appointed as CEO, succeeding Anton Affentranger who stepped down from the post effective 30 September 2018.

The following table shows the Members of the Group Executive Board (GEBO) as at 31 December 2018:

Name	Nationality	Function	Member of the GEBO since
André Wyss	Switzerland	CEO	2018
Beat Fellmann	Switzerland	CFO and Head of Corporate Centre	2008
Christof Gämperle	Switzerland	Member, Head of Business Unit Implenia Austria & Romania	2013
René Kotacka	Switzerland	Member, Head of Business Unit Implenia Infrastructure	2015
André Métal	Switzerland	Member, Head of Business Unit Implenia Construction Switzerland	2013

4.2 Education, activities and interests

The following list provides the main details of the education, training and professional career of each Member of the Group Executive Board. It also details each Member's mandates outside the Group, as well as any other significant activities, such as permanent roles within major interest groups.

André Wyss

(born 1967, Swiss)

André Wyss has been CEO of Implenla since October 2018. For more than 30 years until spring 2018 he worked in various roles and on all five continents for pharmaceuticals company Novartis. He started his career as a chemistry apprentice and rose up through various positions to the Executive Committee. Among his jobs at Novartis, André Wyss was Chief Financial Officer for Research and Development, Head of Pharmaceutical Production in Europe, and Head of various national and regional organisations, including for the company's biggest market, the USA. Most recently, as President of Novartis Operations, he was in charge of all manufacturing, as well as of central corporate services such as real estate and infrastructure, IT, procurement, HR, accounting and corporate affairs, with responsibility for almost 40,000 employees worldwide and a budget of around CHF 13 billion. Parallel to this, he was Country President for Novartis in Switzerland. André Wyss has a degree in economics from the School of Economics and Business Administration (HWV) in Switzerland.

**Beat Fellmann**

(born 1964, Swiss)

Beat Fellmann has been a Member of Implenla's Group Executive Board since October 2008 and since this date has also been CFO and Head of the Corporate Center. He graduated with a degree in economics (lic. oec. HSG) from the University of St. Gallen, and is also a qualified auditor. He began his career as an internal auditor with international industrial group Bühler, where he was Assistant to the CEO and Chairman before becoming a specialist in financing projects. In 1998 he joined Holcim Group (now LafargeHolcim Group), where he was Head of Financial Holdings. Reporting directly to the CFO, he was responsible for all financial and holding companies worldwide. In January 2005 Beat Fellmann became deputy group CFO at Holcim and was also made responsible for group tax, as well as for the management company's IT, finance and controlling. Beat Fellman has been a Member of the Swiss Takeover Board (TOB) since 1 January 2014. Since 1 January 2016 he has also been a member of the board of directors of Vitra Holding AG, and since 20 April 2018 a member of the Board of Directors of Helvetia Holding AG.



Christof Gämperle

(born 1962, Swiss)

Christof Gämperle has been a Member of the Group Executive Board since February 2013. He has been Head of Business Unit Implenía Austria & Romania since 1 April 2017. He was previously in charge of Business Unit Construction German-speaking Switzerland from February 2013. Before that he was General Counsel of Implenía Group from 1 August 2010. Christof Gämperle qualified in law from the University of St. Gallen as lic.iur.HSG, and then began his career in the Legal Service of Canton St. Gallen's Civil Engineering Office. From 1993 to 1997 Gämperle was Deputy General Secretary in the Canton St. Gallen Building Department. For the next six years he was in charge of the legal service there before being appointed General Secretary in 2003. Christof Gämperle performed this role until he joined Implenía in 2010. Christof Gämperle is a member of the boards of the Vereinigung Industrieller Bauunternehmen Österreichs and the Österreichische Bautechnik Vereinigung.



René Kotacka

(born 1962, Swiss)

René Kotacka has been a Member of the Group Executive Board since January 2015. He has been in charge of Business Unit Infrastructure since July 2015. He graduated as a construction engineer from the Federal Institute of Technology (ETH) in 1988. In the same year he began his career at Implenía's predecessor firm Zschokke (AG Heinr. Hatt-Haller), immediately becoming a construction manager and then a site manager for various tunnelling projects. Around the start of the new millennium René Kotacka became project manager and head of technical management for the "Aeschertunnel", part of Zurich's western bypass. He was then responsible for various subsurface new-build and refurbishment projects as project manager and member of the construction committee. In 2006 René Kotacka was appointed Head of International Production and Refurbishment. In 2011 he then took on responsibility for acquisitions at the Tunnelling unit and became a member of the Implenía Tunnelling & Civil Engineering Management Committee. From December 2014 to June 2015 René Kotacka was Head of Tunneling & Civil Engineering before he was appointed Head of Business Unit Infrastructure in July 2015.



André Métral

(born 1964, Swiss)

André Métral has been a Member of the Group Executive Board since February 2013. He has led Business Unit Construction Switzerland since February 2017. Between February 2013 and February 2017, he was Head of Business Unit Construction French-speaking Switzerland. Having graduated in construction engineering from the ETH Zurich he started his career in 1989 with the Zschokke Group in Geneva. André Métral initially worked as a structural engineer, then as an expert in geotechnics and foundation engineering, taking part in studies for and execution of complex infrastructure projects. He soon became Head of Geotechnics and Foundation Engineering in Western Switzerland. In 2011 André Métral became Head of the Infra West Division, which covered all areas of activity associated with construction, buildings, civil engineering and production in Western Switzerland.



4.3 Rules included in the Articles of Association relating to the number of permitted activities allowed under Art.12 para.1 clause 1 OaEC

According to Art. 22e of the Articles of Association, the number of mandates that members of the Group Executive Board can take in the most senior management and supervisory bodies of legal entities outside the Implenla Group that are registered in the Swiss Commercial Register or similar foreign register is limited to nine mandates, if each is approved by the Nomination and Remuneration Committee, of which one may be at a listed company. If mandates are exercised in different legal entities within one group, or on behalf of one group or legal entity, these are counted altogether as one mandate. A member can exceed the maximum limits for a short time. The Articles of Association, containing the precise wording of the provision mentioned above, can be found on Implenla's website.

🔗 <http://www.implenla.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

4.4 Management contracts

There are no management contracts with third parties.

5. Compensation, shareholdings and loans

5.1 Content and method of determining the compensation and shareholding programmes

For the content and method of determining compensation and the granting of shares and loans to Members of the Board of Directors and Group Executive Board, please see the separate Remuneration Report starting on page 173.

5.2 Rules set out in the Articles of Association

5.2.1 Rules set out in the Articles of Association on the principles of remuneration

Please refer to Art. 15a, 22a and 22b of the Articles of Association and to the separate Remuneration Report on pages 180–189 for the relevant rules on the principles applicable to remuneration.

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

5.2.2 Rules set out in the Articles of Association on loans, advances and pension benefits

Please refer Art. 22c of the Articles of Association and to the separate Remuneration Report on page 196 for the relevant rules on loans, advances and pension benefits.

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

5.2.3 Rules set out in the Articles of Association on votes taken by the General Meeting about remuneration

Please refer to Art. 15a of the Articles of Association and to the separate Remuneration Report on pages 176–177 for the relevant rules on votes taken by the General Meeting about remuneration.

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

6. Shareholders' participation rights

6.1 Voting rights and representation restrictions

All shareholders registered on the relevant cut-off date may participate in and vote at the Annual General Meeting. Apart from transfer restrictions, the Articles of Association contain no restrictions on shareholder voting rights (see section 2.6.1 of this report). Each share has one vote.

As mentioned above, the Board of Directors may also reach agreements with nominees about their disclosure obligations (see section 2.6 above and the Registration Regulations).

🔗 <http://www.implenia.com/goto/corporategovernance/2018/en/Registration-Regulations-20130204.pdf>

No exceptions were granted during the year under review.

The restrictions on registration and voting rights prescribed by the Articles of Association, as shown under section 2.6.1 above can be removed by amending the Articles of Association. This requires a resolution by the General Meeting adopted by at least two thirds of the votes represented at the meeting as well as an absolute majority of the par value of shares represented at the meeting (Art. 16 para. 1 of the Articles of Association).

The rights of shareholders to participate in the General Meeting are governed by the provisions of the law and the Articles of Association. Each shareholder may attend the General Meeting in person and vote, or be represented by another shareholder with voting rights by means of written power of attorney, or be represented by the independent proxy. Company representation and custodian representation pursuant to Art. 689c and 689d of the Swiss Code of Obligations are not allowed (Art. 11 OaEC). The general instruction to vote with the Board of Directors on proposals announced or not announced in the invitation shall be regarded as a valid instruction for the exercise of voting rights.

Partnerships and legal entities can also be represented by people with signing authority or other power of representation, minors or wards by their legal representatives, and married persons by their spouse, even if the representative is not a shareholder. The chairperson of the General Meeting shall decide on the admissibility of a proxy (Art. 13 para. 5 of the Articles of Association).

Shareholders may also give the independent proxy instructions and powers of attorney electronically, though the Board of Directors defines the requirements for powers of attorney and instructions (Art. 13 para. 1 of the Articles of Association).

The Articles of Association include no further regulations about the issuing of instructions to the independent proxy or electronic participation in the General Meeting. The applicable rules are set out in the respective invitation.

6.2 Statutory quorums

The resolution of the General Meeting are passed by the majorities stipulated by law. The Articles of Association do not stipulate any different majorities, except for the one needed for the removal or simplification of the restriction on the transferability of shares, which requires a resolution of the General Meeting approved by at least two thirds of the votes represented and an absolute majority of the par value of shares represented (Art. 16 para. 1 of the Articles of Association). Resolutions about mergers, demergers and transformations are governed by the provisions of the Swiss Mergers Act.

6.3 Convocation of the General Meeting

The General Meeting is convened by the Board of Director's; the invitation must be published in the Swiss Official Gazette of Commerce at least twenty days before the meeting together with the agenda items and proposals. Holders of registered shares may also be informed in writing (Art. 10 para. 1 and Art. 11 para. 1 of the Articles of Association). The Board of Directors decides on the location of the General Meeting. The minutes of General Meetings are posted on the Implenia website.

🔗 <http://www.implenia.com/en/investor-relations/general-meeting.html>

6.4 Inclusion of items on the agenda

The Board of Directors compiles the agenda for the meeting. Shareholders who represent at least 1% of issued share capital may request that an item be included in the agenda (Art. 11 para. 2 of the Articles of Association). Such a request must be received in writing by the Board of Directors at least 45 days before the General Meeting.

6.5 Entries in the Share Register

Shareholders who are registered with voting rights in the Share Register on the relevant cut-off date will be sent an invitation to the General Meeting. The cut-off date for acquiring the right to vote at the General Meeting is set by the Board of Directors, based on Art 13. para 2. of the Articles of Association. The dates concerned are stated in the invitation to the meeting. The Articles of Association, containing the precise wording of the provision mentioned above, can be found on Implenla's website.

<http://www.implenla.com/goto/corporategovernance/2018/en/Articles-of-Association-20180327.pdf>

7. Changes of control and defensive measures

7.1 Duty to make an offer

The Articles of Association contain no opting out or opting up clauses. Consequently, Art. 135 FMIA applies, meaning that a shareholder who directly, indirectly or acting in concert with third parties, acquires equity securities of Implenla which, added to equity securities already owned, exceed the threshold of 33⅓% of the company's voting rights, must make an offer to acquire all listed equity securities of the company.

7.2 Change of control clause

No agreements relating to change of control have been made with the Members of the Board of Directors, the Members of the Group Executive Board or other executives.

8. Auditors

8.1 Duration of the mandate and term of office of the lead auditor

Since 2006 the auditor has been PricewaterhouseCoopers AG (Zurich). The auditing mandate given to PricewaterhouseCoopers AG is always for one financial year (Art. 22 of the Articles of Association). The current mandate began on 1 January 2018. Christian Kessler is the Lead Auditor. He has performed the role of Lead Auditor since the audit of the 2013 financial year. In accordance with Art. 730a of the Swiss Code of Obligations, the Lead Auditor performs the mandate for a maximum of seven years.

8.2 Auditing fees

During the year under review, total fees invoiced by the auditing company came to CHF 1,543,000 (previous year: CHF 1,484,000).

8.3 Additional fees

Total additional fees for the year under review come to CHF 84,000 (previous year: CHF 263,000). The additional fees were approved in advance by the Audit Committee and related mostly to tax consultancy mandates.

8.4 Information instruments pertaining to an external audit

The main task of the Audit Committee is regularly and effectively to monitor the auditor's reporting to ensure its quality, integrity and transparency. Representatives of the auditors attended all three meetings of the Audit Committee during the financial year. The auditing schedule, including fees, is presented to and discussed with the Members of the Audit Committee. The auditor presents any important observations in writing to the Audit Committee together with appropriate recommendations.

9. Information policy

Implenia is committed to open, transparent and regular communication with shareholders, the capital market and the general public. The CEO, CFO and Head of Treasury & Investor Relations are available as contacts for shareholders, investors and analysts, and the Head of Communications Group as contact for the media. The most important information is regularly communicated as follows:

- Annual results (February/March): Publication of Annual Report, press and analysts' conference
- Half-year results (August/September): Publication of Half-year Report, press and analysts' conference
- General Meeting (March/April)

Over the course of the year, Implenia provides information on important business developments via media releases and letters to shareholders. As a company listed on the SIX Swiss Exchange Ltd., Implenia is subject to ad hoc publicity rules, i.e. it must publish potentially price-sensitive information. Implenia also cultivates a dialogue with investors and the media through special events and road shows.

The website at www.implenia.com is available to shareholders, the capital market and the public as a constantly accessible, up-to-date information platform. It includes the most important facts and figures relating to Implenia, as well as financial publications, presentations on important developments and the dates of all relevant events (General Meetings, press conferences, etc.). Interested parties can subscribe to the free e-mail news service.

All press releases are posted on the website when released. There is also an archive of press releases dating back to 2006.

🔗 <http://www.implenia.com/en/investor-relations.html>

🔗 http://www.implenia.com/en/investor-relations/publications_1/financial-publications.html

🔗 <http://www.implenia.com/en/investor-relations/media-releases.html>

🔗 <http://www.implenia.com/en/investor-relations/media-releases/news-service.html>

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