

# ARTICLES OF ASSOCIATION<sup>\*)</sup>

of

## Implenia Ltd

### I. NAME, SEAT, PURPOSE AND DURATION OF THE CORPORATION

#### Article 1

Name, seat, duration

Under the name of

**Implenia AG**  
**(Implenia SA)**  
**(Implenia Ltd)**

a corporation limited by shares is established for an unlimited duration, having its registered seat in Dietlikon.

#### Article 2

Purpose

- <sup>1</sup> The purpose of the corporation is the direct or indirect participation in companies of all kinds in Switzerland and abroad, in particular in the fields of construction, real estate project development and industries related thereto, as well as the coordination, the management and the control of such companies.
- <sup>2</sup> The corporation is empowered to engage in all commercial, financial and other businesses and take measures which are appropriate to promote the purpose of the corporation directly or indirectly or are directly or indirectly within the scope of its activities. The corporation may acquire, hold, use, encumber and sell real estate in Switzerland and abroad.

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<sup>\*)</sup> This document is an unofficial English translation of the original German articles of association (Statuten) which constitute the definitive text and are binding in law.

## II. SHARE CAPITAL

### Article 3

Share capital

The share capital of the corporation is CHF 18,841,440.00 divided into 18,472,000 registered shares with a nominal value of CHF 1.02 each. The share capital is fully paid up.

### Article 3a

Authorised share capital

- <sup>1</sup> The Board of Directors is authorised to increase the share capital by a maximum of CHF 3,768,288.00 by 26 March 2017 at the latest by issuing a maximum of 3,694,400 fully paid-up registered shares with a par value of CHF 1.02 each. The share capital may be increased by partial amounts.
- <sup>2</sup> The subscription and acquisition of the new shares and every subsequent share transfer are subject to the restrictions of Art. 7 of these Articles of Association.
- <sup>3</sup> The Board of Directors determines the issue date, issue price, type of contribution, conditions for the exercise of subscription rights and the date for the beginning of dividend entitlement. The Board of Directors may issue new shares by way of a firm underwriting by a banking institution or consortium and a subsequent offer to the current shareholders. The Board of Directors may allow subscription rights that are not exercised to expire or place shares for which subscription rights were granted but not exercised with the public at market conditions.
- <sup>4</sup> The Board of Directors is authorised to restrict or cancel the subscription rights of shareholders and allot the shares to third parties if the shares are issued for the purpose of the acquisition of companies or parts of companies or investments in other companies or to finance or re-finance such transactions.
- <sup>5</sup> If the Board of Directors exercises its right to issue bonds or other financial market instruments pursuant to Art. 3b (conditional share capital), the Board of Directors will no longer be entitled to exercise its right in this respect to create share capital pursuant to Art. 3a (authorised share capital) for the same amount, since share capital pursuant to Art. 3a (authorised share capital) and Art. 3b (conditional share capital) together may be raised only by a maximum of CHF 4,710,360.00.

### Article 3b

- <sup>1</sup> The share capital can be increased by a maximum of CHF 3,768,288.00 by issuing a maximum of 3,694,400 fully paid-up registered shares with a par value of CHF 1.02 each by exercising conversion and / or option rights issued in conjunction with bonds or other financial market instruments of the Company 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.
- <sup>2</sup> The acquisition of shares through the exercise of conversion and / or option rights and every subsequent share transfer are subject to the restrictions of Art. 7 of these Articles of Association.
- <sup>3</sup> When issuing bonds or other financial market instruments carrying conversion and / or option rights, the Board of Directors is authorised to restrict or cancel the pre-emptive subscription rights of the shareholders if the shares are issued to finance or re-finance the acquisition of other companies or parts of companies or to invest in other companies, for new investment projects, or to refinance issued bonds or other financial market instruments or for the purpose of issuance on national or international markets. If the pre-emptive subscription right is cancelled by the Board of Directors, the following applies: the bonds or other financial market instruments are floated at market conditions (including the dilution clauses standard to the market) and new shares are issued in accordance with the prevailing conversion and option conditions. Conversion rights may be exercised for a maximum period of 15 years and option rights for a maximum period of 10 years from the relevant issue date. The conversion or option price and its method of calculation are determined at market conditions, with the stock exchange price applying to the shares of the Company.
- <sup>4</sup> If the Board of Directors exercises its right to create share capital pursuant to Art. 3a (authorised share capital), the Board of Directors will no longer be entitled to exercise its right in this respect to issue bonds or other financial market instruments pursuant to Art. 3b (conditional share capital) for the same amount, since share capital pursuant to Art. 3a (authorized share capital) and Art. 3b (conditional share capital) together may be raised only by a maximum of CHF 4,710,360.00.

Shares

#### **Article 4**

- 1 The general meeting of shareholders may at any time resolve to convert registered shares into bearer shares and bearer shares into registered shares.
- 2 Subject to paragraph 3, the corporation's registered and bearer shares are regarded as uncertificated stock (as defined by the Swiss Code of Obligations) and managed as intermediated securities (as defined by the Swiss Federal Intermediated Securities Act).
- 3 Once entered in the share register, shareholders can request at any time that the company issue written confirmation of their registered shares; they do not, however, have the right to request that certificates be printed and delivered. The corporation can, though, print and deliver certificates (single or global certificates) for registered shares at any time. It can withdraw registered shares managed as intermediated securities from the relevant safekeeping system. The corporation can cancel without replacement any issued certificates that are delivered to it.

#### **Article 5**

[cancelled]

#### **Article 6**

[cancelled]

#### **Article 7**

Share register and nominees

- 1 The corporation shall maintain a share register showing the name, address and, in the case of individuals, nationality (or registered office for legal entities) of the owners, usufructuaries and nominees of registered shares. Any changes of name or address must be notified to the corporation.
- 2 The exercise of rights may only be asserted in relation to the corporation by

shareholders, usufructuaries or nominees entered in the share register.

- <sup>3</sup> The registration of an acquirer in the share register requires the approval of the board of directors.
- <sup>4</sup> Acquirers of registered shares are registered in the share register with the right to vote upon request if:
  - a) they can prove that they acquired and hold these registered shares in their own name and for their own account. Persons who do not provide such evidence shall only be registered as nominees with the right to vote in the share register if they undertake in writing to disclose the names, addresses and the number of shares of the persons for whose account they hold shares, or if they disclose this information immediately on first request. The remaining provisions of the articles of association, in particular Articles 4, 11 and 13, apply by analogy to nominees. The board of directors is empowered to enter into agreements with nominees regarding their notification duties;
  - b) the recognition of an acquirer as a shareholder does not hinder or risk hindering the corporation and/or its subsidiaries, according to the information available to the corporation, from providing the legally required evidence about the composition of its shareholder body and/or beneficial owners. In connection with the project development and real estate business run through the corporation's subsidiaries, the corporation is specifically entitled to refuse to register persons abroad (pursuant to Federal Law of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad, BewG), if such registration could raise any doubt about the Swiss control of the corporation and/or its subsidiaries.
- <sup>5</sup> Shareholders that are affiliated or that act in concert are treated as a single shareholder or acquirer with regard to the application of this article 7.
- <sup>6</sup> After hearing the registered shareholder or nominee, the corporation may cancel the registration in the share register, with retroactive effect as of the date of registration if the registration was based on false information, or if the information required under Article 7 paragraph 4a is not disclosed. The shareholder or nominee shall be informed immediately of the cancellation of the registration.
- <sup>7</sup> The board of directors is authorised to issue rules about the management of the share register and about specific registration conditions and restrictions, particularly rules about proving that shares are acquired and held in one's own name and for one's own account, percentage thresholds for registration of persons abroad as a whole and individually, affiliated shareholders or

shareholders acting in concert, and rules about the allocation of free places for foreigners.

### **III. ORGANISATION OF THE CORPORATION**

#### **Article 8**

Corporate bodies

The corporate bodies of the corporation are:

- A. General meeting of shareholders
- B. Board of directors
- C. Auditors

#### **A. GENERAL MEETING OF SHAREHOLDERS**

#### **Article 9**

Powers

The general meeting of shareholders is the supreme corporate body of the corporation. It has the following powers which are inalienable:

- a) to establish and amend the articles of association;
- b) to elect and remove the members of the board of directors, the chairman, the members of the remuneration committee, the independent proxy, and the auditors;
- c) to approve the annual or management report and the consolidated financial statements;
- d) to approve the annual accounts and to decide upon the appropriation of profits shown in the balance sheet, in particular to declare dividends and profit sharing by directors;
- e) approval of remuneration of the board of directors and management pursuant to Article 15a;

- f) to give the members of the board of directors a discharge concerning their administration;
- g) to take decisions on all matters reserved to the general meeting by law or by the articles of association, or which are placed before it by the board of directors.

## Article 10

Convening

- 1 The general meeting of shareholders shall be called by the board of directors, or if need be by the auditors.
- 2 The ordinary general meeting of shareholders shall take place every year within six months after the close of the financial year.
- 3 Extraordinary general meetings of shareholders are convened, if demanded, by a resolution of the general meeting of shareholders or, if required, by the board of directors, on request by the auditors or on reasoned written request by shareholders representing together at least one tenth of the share capital.

## Article 11

Form of convening, placing of items on the agenda

- 1 General meetings of shareholders shall be convened at the latest twenty days before the date of the meeting by way of a notice appearing once in the official publication medium of the corporation. The notice shall state the items on the agenda and the proposals of the board of directors and as the case may be of the shareholders who demanded that a general meeting of shareholders be convened or that an item is put on the agenda. Registered shareholders may also be informed by mail.
- 2 Shareholders representing at least 1 per cent of the issued share capital may demand that an item be included in the agenda of a general meeting of shareholders. Such a demand must be made in writing and be received by the corporation at the latest forty-five days before the general meeting.
- 3 No resolution may be passed on matters which have not been duly placed on the agenda, except on a motion put forward at the general meeting of shareholders to call an extraordinary general meeting of shareholders or a motion for a special audit to be carried out. The making of motions within the scope of agenda items and the discussion without the passing of resolutions does not require prior

announcement.

- 4 The annual report, the remuneration report, and the reports of the auditors must be available for inspection by shareholders at the corporation's registered offices at least twenty days before the ordinary general meeting of shareholders, whereon the convening of the general meeting of shareholders adverts. Each shareholder is entitled to request to be sent a copy of these documents.

## Article 12

Chairmanship, office, minutes

- 1 The chairman of the board of directors or, in his absence by the vice chairman or another member of the board of directors, shall preside over the general meeting of shareholders.
- 2 The chairman of the meeting shall appoint a secretary and the vote counters neither of whom need be shareholders.
- 3 Minutes must be signed by the chairman of the meeting and the secretary.

## Article 13

Authorization of attendance

- 1 Subject to other provisions in the articles of association, the board of directors issues procedural rules for participation and representation of shareholders at the general meeting of shareholders, including the requirements for powers of attorney and instructions, and in doing so, may also permit powers of attorney without qualified electronic signature.
- 2 Shareholders entered in the share register as shareholders with the right to vote at a date set by the board of directors are entitled to attend the general meeting of the shareholders and to exercise the right to vote.
- 3 A shareholder who is entered in the share register as shareholder with the right to vote and who does not attend the general meeting of shareholders in personal may be represented by another shareholder with the vote to right at the general meeting of shareholders using a written proxy presented to the corporation. Paragraph 4 below remains reserved.
- 4 Minors and tutored persons may be represented by their legal representatives, married persons by their spouses and legal entities by approved signatories or other authorized representatives, such representatives need not be shareholders.



- 5 The chairman of the general meeting of shareholders decides on the acceptance of proxies. The general instruction to vote in favour of the proposals of the Board of Directors regarding the in the convening notice announced and not announced proposals shall be considered as valid instruction.

#### **Article 14**

Voting rights

Each share conveys the right to cast one vote.

#### **Article 15**

Resolutions, elections

- 1 Unless the law or the articles of association require otherwise, the general meeting of shareholders passes elections and resolutions with the absolute majority of the votes represented.
- 2 If no election has taken place at the first ballot a second ballot is held in which the relative majority, without consideration of abstentions, shall be decisive.
- 3 Elections and resolutions shall be taken on a show of hands or electronically unless the chairman of the meeting orders, or the general meeting of shareholders decides for, a written ballot.

#### **Article 15a**

Approval of remuneration

- 1 Each year the general meeting of shareholders approves the motions of the board of directors regarding the maximum total amounts:
  - of remuneration of the board of directors for the period until the next ordinary general meeting of shareholders pursuant to Article 22a;
  - of remuneration of management for the next financial year pursuant to Article 22b.
- 2 The board of directors may submit motions to the general meeting of shareholders regarding the maximum total amounts or individual components of remuneration for other time periods or regarding additional amounts for special components of remuneration, as well as additional conditional motions for

approval.

- <sup>3</sup> Motions of the board of directors pursuant to Article 15a of the articles of association are approved by a relative majority, without consideration of abstentions. Where the general meeting of shareholders rejects a motion of the board of directors, the board of directors shall determine the steps to be taken. It may, among other things, convene an extraordinary general meeting of shareholders or establish a maximum total amount or several maximum partial amounts under consideration of all relevant factors, and submit this/these to the next general meeting of shareholders for approval. Within the scope of a maximum total or partial amount established in such way, the company may pay remuneration subject to approval by the general meeting of shareholders.
- <sup>4</sup> The board of directors calculates amounts based upon the same principles as in the remuneration report; where necessary or appropriate, these calculations may contain estimates and reserves for unexpected events as well as valuations. Approved amounts may be exceeded due to fluctuations in currency exchange rates. The remuneration may be paid by the company or its group companies.
- <sup>5</sup> The Company is authorised to pay an additional amount of up to 50% of the applicable total amount of remuneration of management to members of management who join management or take on additional responsibilities during the period for which the remuneration of management has already been approved, in the event that the total amount already approved for the period in question is insufficient for their remuneration. The additional amount need not be approved by the general meeting of shareholders and may be used by the Company for all types of remuneration. Furthermore, the maximum remuneration of such a member of the management is limited to the extent that said member's maximum remuneration may not exceed the maximum remuneration of the Chief Executive Officer (CEO) in the previous financial year by more than 25%.

## Article 16

Important resolutions

- <sup>1</sup> A resolution of the general meeting of shareholders passed by at least two thirds of the votes and the absolute majority of the nominal value of shares represented, shall be required for:
  - a) at the change of the corporation purpose;
  - b) the creation of shares with privileged voting right;
  - c) the aggravation, the facilitation or the abrogation of the restriction of the

transferability of registered shares;

- d) an authorized or conditional capital increase;
- e) an increase of capital out of equity, against contributions in kind, or for the purpose of acquisition of assets and the granting of special benefits;
- f) the limitation or withdrawal of preemptive rights;
- g) the change of the seat of the corporation.

<sup>2</sup> The taking of resolutions on mergers, demergers and conversions is governed by the provisions of the Swiss merger law.

## **B. BOARD OF DIRECTORS**

### **Article 17**

Ultimate management, powers

<sup>1</sup> The board of directors is responsible for the ultimate management of the corporation and the control of the management. He represents the corporation towards third parties and decides on all corporate matters not reserved by law, the articles of association or regulations to another corporate body.

<sup>2</sup> The board of directors has the following non-transferable and non-withdrawable duties:

- a) the ultimate management of the corporation and the issuance of the necessary directives;
- b) the establishment of the organization;
- c) the structuring of the accounting system and of the financial controls as well as the financial planning;
- d) the appointment and removal of persons entrusted with the management and representation of the business and the granting of signatory power;
- e) the ultimate supervision of the persons entrusted with managing the business in particular, in view of compliance with the law, the articles of association, regulations, and directives;

- f) the preparation of the annual report and the remuneration report as well as the preparation of the general meeting of shareholders and the implementing of its resolutions;
  - g) the notification of the judge in the case of overindebtedness;
  - h) decisions on increasing the share capital, to the extent they fall within the authority of the board of directors, and the ascertainment of capital increases and the corresponding amendment to the articles of association.
- <sup>3</sup> The board of directors is authorized to pass resolutions concerning all matters which are not reserved to the general meeting of shareholders or to other corporate bodies.

### **Article 18**

Election, term of office

- <sup>1</sup> The board of directors shall consist of a minimum of five members who must be shareholders.
- <sup>2</sup> The members of the board of directors are elected individually by the general meeting of shareholders.
- <sup>3</sup> The term of office of the members of the board of directors shall start with the election and expire after the conclusion of the next ordinary general meeting of shareholders. Prior resignations or removals remain reserved.
- <sup>4</sup> The members of the board of directors may be re-elected at any time.
- <sup>5</sup> Independent of the term of office, the members of the board of directors shall retire after the expiry of the seventieth year of age. The retirement shall become effective on the date of the next ordinary general meeting of shareholders.
- <sup>6</sup> The board of directors constitutes itself, subject to the authority of the general meeting of shareholders. It elects its vice chairman and the secretary, who needs not be a member of the board of directors.

## **Article 19**

Delegation and committee

The board of directors may delegate the management of the corporation in whole or in part to one or several of its members, to committees, to a management or to other natural persons, who need not be shareholders. In this case, the board of directors will determine the rights and duties in organizational and business regulations.

## **Article 20**

Convening

The chairman or, if the chairman is prevented, the vice chairman shall convene the board of directors as often as business requires or upon a written request by a board member.

## **Article 21**

Quorum, resolution, minutes

- 1 Order of the meeting, quorum (presence) and the passing of resolutions of the board of directors shall be governed by the organizational and business regulation.
- 2 In case of a tie, the chairman shall cast the casting vote (in addition to his ordinary vote).
- 3 Deliberation and resolutions shall be minuted. The minutes shall be signed by the chairman of the meeting and the secretary.

## **Article 21a**

Remuneration committee

- 1 The remuneration committee consists of two to four members. In principle, the remuneration committee has authority to make recommendations regarding remuneration and authority to implement remuneration or policies already approved in principle by the general meeting of shareholders or the board of directors, to the extent stipulated in the articles of association.
- 2 The board of directors establishes all other aspects in the organizational regulations or in an additional regulation. In doing so, it may assign additional tasks and areas of authority to the remuneration committee.

## C. AUDITORS

### Article 22

Election, powers

The general meeting of the shareholders elects each year the auditors in consideration of the legally required professional qualifications and independence, with the competences and duties governed by the provisions of the law.

## IV. REMUNERATION, CONTRACTS, MANDATES

### Article 22a

Remuneration of board of directors

The remuneration of the board of directors consists of the remuneration until the next ordinary general meeting of shareholders, plus any estimated social security charges and contributions to social security and pension institutions, as well as additional insurance charges and other fringe benefits paid by the company and qualifying as remuneration. The board of directors may determine that a portion of the remuneration be paid out in shares. In this case, it shall specify the conditions, including time of allocation and valuation, and shall decide on any retention period.

### Article 22b

Remuneration of management,  
profit-sharing and employee  
participation plans

- <sup>1</sup> The compensation of management consists of the annual basic remuneration, the maximum remuneration under the short-term profit plan, the value of the maximum allocation under the long-term participation plan, and estimated employer social security charges and contributions into social security, pension, and savings plans and similar institutions, insurance charges, and other fringe benefits.
- <sup>2</sup> The short-term components of remuneration are based upon objective performance values that relate to the results of the group and/or a business

segment, to goals calculated in comparison to the market, other companies, or comparable parameters, and/or to individual goals, and their achievement is generally measured during a one-year period.

- <sup>3</sup> The long-term components of remuneration are based upon the company's long-term growth, and allow employees to participate appropriately in such growth.
- <sup>4</sup> The remuneration of management may be paid in the form of cash, shares, comparable instruments or units, or non-cash benefits or services. The board of directors may stipulate that, based upon the occurrence of predetermined events such as a change in control or the ending of an employment relationship, exercise conditions and exercise periods or retention periods may be shortened or cancelled, remuneration may be paid upon the assumption that goals are achieved, or remuneration may be forfeited.

#### **Article 22c**

Pensions

Payments to pension schemes outside of the occupational pension or similar foreign institutions are permitted provided that they have been approved by the general meeting of shareholders individually or as part of a total amount.

#### **Article 22d**

Contracts

- <sup>1</sup> The company or its group companies may form fixed-term or open-ended contracts with members of the board of directors. Their term of contract and termination shall be based upon term of office and the law.
- <sup>2</sup> The company or its group companies may form open-ended employment contracts with members of management having a period of notice of no more than twelve months. This shall remain subject to applicable foreign law providing for a longer term of notice or for mandatory termination pay.
- <sup>3</sup> The company may compensate members of the board of directors and members of management for disadvantages incurred in connection with administrative or legal proceedings, or settlements related to their activity for the Implenla Group, and may also grant advances for corresponding amounts and purchase insurance policies.

### **Article 22e**

Number of mandates

The number of mandates in the top management and administrative bodies of legal entities outside of the company group, which must be entered into the Swiss Commercial Register or a comparable foreign register, is restricted for members of the board of directors to a maximum of fourteen mandates, with a maximum of four mandates in publicly-listed companies, and for members of management, insofar as these are approved by the remuneration committee on a case-by-case basis, the number is restricted to a maximum of nine mandates, with a maximum of one in a publicly-listed company. If mandates are held in different legal entities of one and the same corporate group or are held on behalf of a corporate group or a legal entity, then these will be counted in their entirety as one mandate in each case. These limits may be exceeded for short periods of time.

## **V. ANNUAL FINANCIAL STATEMENT, CONSOLIDATED FINANCIAL STATEMENTS AND PROFIT ALLOCATION**

### **Article 23**

Annual financial statement

- <sup>1</sup> The business year is to be determined by the board of directors.
- <sup>2</sup> The board of directors prepares for each year a business report which is composed of the annual financial statements (composed of the profit and loss statement, the balance sheet and the notes), the annual or management report, and the consolidated financial statements.

### **Article 24**

Allocation of profit shown on the balance sheet

The allocation of the profit shown on the balance sheet shall be determined by the general meeting of shareholders subject to the mandatory statutory provisions. The board of directors shall submit to the general meeting of shareholders its proposals.



## **VI. PUBLICATIONS**

### **Article 25**

Publication

The announcements required by law or the articles of association shall be published in the Swiss Gazette of Commerce. The board of directors may designate additional publication organs.

## **VII. LIQUIDATION**

### **Article 26**

Liquidation

- <sup>1</sup> In case of the corporation's dissolution, the liquidation will be carried out by the board of directors then in office, unless the general meeting of shareholders decides otherwise.
- <sup>2</sup> The liquidators have unencumbered power and authority to liquidate all corporate assets.

## **VIII. LITIGATION**

### **Article 27**

Litigation

- <sup>1</sup> All disputes arising on corporate matters shall be resolved by the ordinary courts at the seat of the corporation.
- <sup>2</sup> Notwithstanding the jurisdiction determined in paragraph 1, the corporation may take legal action against its corporate bodies or shareholders at the court of general jurisdiction.

Zurich, 24 March 2015