

## **ARTICLES OF ASSOCIATION**

**of**

### **AMAG Austria Metall AG**

#### **I. GENERAL PROVISIONS**

##### **§ 1 Name and registered office**

- (1) The name of the company is AMAG Austria Metall AG.
- (2) The registered office of the company is in Ranshofen, in the political district of Braunau am Inn.

##### **§ 2 Company purpose**

- (1) The purpose of the company is:
  - a) participations in all types of company, their business administration and management;
  - b) the exercise of the function of a holding company, whereby in particular the purpose of the group and affiliated companies relates to the extraction, production, processing, preparation and trading of metallurgical and chemical products, synthetics and composite materials, raw and ancillary materials, the operation of electricity plants, the planning, development, production, installation and repair of industrial plants and parts thereof, data collection and information processing, financial management, commercial, technical and organizational services, planning and consulting;

- c) the future overall management of the AMAG Group, as well as Group coordination, especially with regard to strategic business planning, participation policy, human resources and legal matters, financial, accounting and taxation, controlling, cash-out management, metal management, research and development and public relations; investment policy;
  - d) the purchase, management and sale of participations in other companies of similar or identical type;
- (2) In addition, the company shall be entitled to carry out the automation-aided gathering and processing of person-related data, provide services linked to the company purpose and exercise all the necessary and beneficial business activities required for these purposes, with the exception of banking business and securities services.
  - (3) The company shall be entitled to install branches at other locations both in Austria and other countries.

### **§ 3 Company announcements and communications**

- (1) Where statutorily required, company announcements will be published in the official gazette of the "Wiener Zeitung". Otherwise company announcements will be made in accordance with the respective, applicable legal regulations.
- (2) Unless the written form is mandatory, proposed resolutions, statements and other declarations directed to the company as text, in particular shareholder requests, including enclosures in relation to § 109 of the Austrian Stock Corporation Act (Akiengesetz, AktG), resolution proposals of shareholders, including enclosures in relation to § 110 of the Austrian Stock Corporation Act, and deposit confirmations pursuant to § 10a para. 3 of the Austrian Stock Corporation Act, shall be sent to the telefax number or e-mail address published on the company Internet homepage under "Investors" or "Investor Relations". The declaration shall take the form of a document or other written form suitable for lasting reproduction and name the person of the declarer. The end of the declaration shall be made apparent by a reproduction of the signature or otherwise, e.g. through the addition of the name.
- (3) Proposed resolutions, statements and other declarations pursuant to § 87 Para. 2 of the Austrian Stock Corporation Act ~~(Akiengesetz, AktG),~~ as well as other notifications sent to the company shall be submitted in German. The German version shall always be

definitive and the company shall not be obliged to verify the conformity of versions in foreign languages with that in German.

- (4) Share deposit confirmations will only be accepted in German and English. The meeting convocation of the Annual General Meeting can provide for the transmission of deposit confirmations via fax or e-mail as a communications channel (whereby the electronic format may be specified in greater detail in the meeting convocation). The company shall not be obliged to verify the correctness of the deposit confirmations.

## II. COMPANY CAPITAL

### § 4 Share capital and shares

- (1) Company share capital amounts to EUR 35,264,000 (thirty-five million two hundred and sixty-four thousand euros) divided into 35,264,000 (thirty-five million two hundred and sixty-four thousand) no-par value bearer shares, with each share representing an equal ownership interest in the company.
- (2) ~~In the case~~ The shares from future capital increases may be bearer or registered shares. If, in the event of a capital increase, the ~~shares resolution does not specify whether the new shares should be registered or bearer shares, they~~ shall also be issued in the form of bearer shares.
- (3) ~~The Management Board shall determine the form and content of the share certificates, global certificates as well as of the profit sharing and renewal certificates. This shall also apply to, debenture bonds, dividend and renewal certificates, as well as convertible bonds.~~ Shares(3) Bearer shares shall be certificated by issuance of one, if necessary several, global certificates and shall be deposited with a securities clearing and deposit bank pursuant to § 1 Para. 3 of the (Austrian) Securities Deposit Act (*Depotgesetz, DepotG*) or an equivalent foreign institution.
- (4) Shareholder entitlement to the issue of individual certification for shares shall be excluded. If lawful share certificates, collective certificates and partial debentures are issued, the Management Board shall determine the form and content in agreement with the Supervisory Board.
- (5) The Management Board is authorized, with the consent of the Supervisory Board, to increase the share capital of the company by up to EUR 17,500,000.00 (seventeen

million five hundred thousand euros) within a period of five years following the entry of the corresponding amendment to the articles of association in the company register, through the issue of up to 17,500,000 (seventeen million five hundred thousand) no-par bearer shares, in one or several tranches, in exchange for cash or payments in kind, subject to the complete or partial exclusion of subscription rights, and to determine in agreement with the Supervisory Board the issue amount, which may not be less than the prior pro rata amount of the no-par shares in share capital, and other issue conditions (the 2015 Approved Capital). The legal subscription right may be granted to shareholders in such a way that the new shares can be accepted by a bank or bank consortium subject to an obligation that they be offered to shareholders in accordance with their right of subscription (indirect subscription right). The Supervisory Board shall be empowered to agree upon changes to the articles of association, which result from the issue of shares from the approved capital.

- (6) In accordance with § 159 Para. 2 Item 1 of the Austrian Stock Corporation Act, company share capital may be the object of a contingent increase of up to EUR 17,500,000.00 (2015 Contingent Capital) through the issue of a maximum of 17,500,000 new, no-par bearer shares to creditors holding convertible bonds, for which the Management Board received authorization at the Annual General Meeting held on April 16, 2015 (2015 Convertible Bonds issue). This contingent capital increase may only be completed to the extent that creditors holding these convertible bonds make use of their right of exchange and/or purchase with regard to company shares. The issue amount and the exchange ratio are to be determined using a recognized pricing process (bases for the calculation of the issue amount) subject to acknowledged methods of financial mathematics and the stock exchange price of the company shares (if necessary with the involvement of third party experts), taking into account the interests of the company, the existing stockholders and the convertible bond subscribers. The issue amount may not be less than the pro rata contribution to share capital. The newly issued shares of the contingent capital increase shall carry the same dividend entitlement as already existent company stock. The Supervisory Board is empowered to agree changes to the company articles that may be required due to the issue of shares from the contingent capital.
- (7) The total number of actual or potential new shares to be issued in accordance with the terms of the 2015 Convertible Bonds issue / 2015 Contingent Capital and the number of shares issued using the 2015 Approved Capital may not exceed 17,500,000 (determined amount of the authorization pursuant to paragraphs 5 and 6), whereby the purchase and/or exchange rights of the holders of the 2015 Convertible Bonds are to be guaranteed under all circumstances.

### III. CORPORATE BODIES

#### ~~A. MANAGEMENT BOARD~~

##### § 5 Composition

- (1) ~~(1)~~—The Management Board shall consist of up to ~~four~~five persons.
- ~~(2) Management Board members shall be appointed by the Supervisory Board for a maximum term of five years. Reappointments – each for a maximum term of five years – can be made.~~
- (3) Where the Management Board consists of more than one person, the Supervisory Board shall be empowered to appoint one of the Board members as a Chairperson and a second as a Deputy Chairperson.
- ~~(4) If a Management Board member is appointed Chairperson of the Management Board, his/her vote shall be decisive in the event of a tied vote (casting vote). The Deputy Chairperson shall not have a casting vote.~~

##### § 6 Representation

- (1) Where the Management Board consists of more than one person, it shall be legally represented jointly by two members of the Board, or by one Board member acting together with a person possessing the power of attorney. When only one person has been appointed to the Management Board, he/she will represent the company alone.
- (2) The Supervisory Board shall be empowered to grant individual members of the Management Board the authority to represent the company.

##### § 7 ~~Management Board resolutions, business~~ Business management

- ~~(1) The Management Board shall agree its resolutions by a simple majority.~~
- ~~(2) In the case of a tied vote, the vote of the Chairperson shall be decisive.~~

(1) ~~(3)~~ The Management Board shall conduct the company's business in accordance with the law, the Articles of Association and the Rules of Procedure adopted by the Supervisory Board to ensure the success of the company taking account of the interests of shareholders, employees and the public.

(2) The Supervisory Board shall be empowered to establish ~~rules~~Rules of ~~procedure~~Procedure for the Management Board. In particular, these rules of procedure shall regulate the distribution of responsibilities among the members of the Management Board and determine which business and measures in addition to those stipulated in § 95 Para. 5 of the Austrian Stock Corporation Act require the consent of the Supervisory Board. In the case of § 95 Para. 5, Items 4, 5 and 6 of the Austrian Stock Corporation Act, the Supervisory Board shall establish amount limits ~~up to~~from which its consent ~~need not be obtained.~~is required. In the case of § 95 Para. 5, Items 1 and 2 of the Austrian Stock Corporation Act the Supervisory Board shall be entitled to establish amount limits.

### **§ 8 Reports to the Supervisory Board**

(1) The Management Board shall report to the Supervisory Board at least once annually on fundamental aspects of the future business policy of the company and the likely future development of the asset, financial and earnings situation on the basis of a forecast statement (annual report).

(2) In addition, the Management Board shall also report to the Supervisory Board on a regular basis, at least once per quarter, on the course of business and the situation of the company and the Group compared to the forecast statement, taking into account likely future developments (quarterly report). The Chairman of the Supervisory Board must be informed immediately of any events or occurrences with serious implications; the Supervisory Board must also be informed immediately of any circumstances that may significantly affect the company's profitability or liquidity (special report).

(3) The annual report and the quarterly reports shall be made in writing and, at the request of the Supervisory Board, elucidated orally; the reports are to be distributed to every member of the Supervisory Board. Special reports may be made orally or in writing.

(4) Furthermore, should the Supervisory Board so request, the Management Board shall report on all other company matters.

### **~~B. SUPERVISORY BOARD~~**

## § 9 Composition and election of the Supervisory Board

- (1) The Supervisory Board shall consist of at least three and up to ten members, elected by the Annual General Meeting, and the members appointed pursuant to § 110 Para. 1 of the Austrian Labor Constitution Act (*Arbeitsverfassungsgesetz, ArbVG*).
- (2) Unless elected for a shorter period, the Supervisory Board members shall be elected for the period up to the end of the Annual General Meeting that approves the discharge for the fourth financial year following the election. Hereby, the financial year in which the Supervisory Board member was elected shall not be included. ~~Supervisory Board members may be re-elected. However, at least two members shall leave the Supervisory Board each year at the end of the Annual General Meeting whereby Supervisory Board members who have left the Supervisory Board since the last General Meeting or who resign with effect from the end of the General Meeting concerned shall be taken into account in this figure. The departures shall be determined in the following way. Firstly, members whose term in office expires shall leave. If this does not apply to at least as many members so that – together with other members who have departed since the last General Meeting or who have resigned with effect from the end of the General Meeting concerned – two members can be determined, those members who have served the longest in their term in office shall depart. If after this the number of members that can be considered for departure is greater than required, a lot will be held to decide which of these members departs. The lot procedure shall also decide if the departures have not been determined under the above provisions. The departing members may be re-elected with immediate effect.~~
- (3) ~~Should a~~ If an elected member of the Supervisory Board ~~resign prior to~~ leaves the ~~end of the period~~ Supervisory Board during his/her term in office, the election of a replacement shall ~~first be required at the next Annual General Meeting. However, should be held immediately if~~ the number of ~~Supervisor~~ Supervisory Board members ~~fall to~~ falls below three, ~~then a replacement. Replacements~~ shall be elected immediately at an Extraordinary General Meeting.
- ~~(4)~~ Replacement elections shall take place for the remaining period ~~term~~ in office of the departing Supervisory Board member: unless the General Meeting decides otherwise during the election.

- (4) If a member of the Supervisory Board is elected by an Extraordinary General Meeting, his/her first year in office shall be deemed ended at the end of the next Ordinary General Meeting.
- (5) Any member of the Supervisory Board may resign their office, without stating the cause, upon one month's written notice to the ~~Management Board or the~~ Supervisory Board Chairperson. Should the Supervisory Board Chairperson be hindered or resign, the letter of resignation shall be given to ~~one of the first Deputy-Chairpersons~~ Chairperson of the Supervisory ~~Board or to the Management~~ Board.
- (6) ~~§ 87 Para. 9 of the Stock Corporation Act shall apply to the initial appointment of the Supervisory Board—~~ members cannot perform any board functions in other companies that are in competition with the Group company.

#### **§ 10 Chairperson and Deputy Chairperson**

- (1) ~~Immediately~~ Every year after ~~its election~~ the Ordinary General Meeting, the Supervisory Board shall select a Chairperson and one or more Deputy Chairpersons from its members. If more than one Deputy Chairperson is elected, the Supervisory Board shall determine who of these shall be the First Deputy Chairperson. Should the Chairperson or the First Deputy Chairperson resign from these positions, a replacement election shall be held immediately.
- (2) If during an election no one receives an absolute majority, then a run-off shall be held between the persons with the most votes. Should the run-off also end in parity, a drawing of lots shall decide the result.
- (3) The Chairperson and the Deputy Chairperson(s) may be re-elected.
- (4) When the Deputy Chairperson chairs the Supervisory Board, he/she shall have the same rights and obligations as the Chairperson.
- (5) Declarations of intent from the Supervisory Board and any committees will be made by the Chairperson and should he or she be hindered by the Deputy Chairperson.

#### **§ 11 Supervisory Board meetings and resolutions**

- (1) The Supervisory Board shall determine its own rules of procedure.



- (2) Meetings of the Supervisory Board shall be called by the Chairperson, or should he or she be hindered, by the Deputy Chairperson, by means of registered letter, telefax, e-mail or messenger with details of the time, place and agenda. The invitation to the meeting shall be subject to a period of notice of fourteen days between the date on which the meeting was called and the day of the Supervisory Board meeting at the address, fax number or e-mail address last made known to the Supervisory Board members by the company. In urgent cases, the Chairperson shall be entitled to shorten the period of notice.
- (3) A Supervisory Board meeting may be called on the behalf of the Chairperson by the Management Board. This shall take place in the same manner as when a meeting is called by the Chairperson or the Deputy Chairperson.
- (4) A Supervisory Board meeting shall have a quorum when all the members were invited in the correct manner and at least three Supervisory Board members, including the Chairperson or the First Deputy Chairperson, are present in person. The rules of procedure for the Supervisory Board shall lay down the conditions to be fulfilled in order for a rescheduled Supervisory Board meeting, called because the original meeting lacked a quorum, to be quorate. Supervisory Board meetings shall be presided over by the Chairperson, or should he or she be hindered, by the Deputy Chairperson.
- (5) Resolutions will be agreed with the simple majority of the votes cast. In the case of a tied vote, including in elections, the vote of the person chairing the meetingchairperson shall be decisive (deciding vote right).
- (6) A Supervisory Board member shall be entitled to provide another member with a written proxy for a single meeting, or to vote either in written form, per telefax or e-mail. Pursuant to § 11(4) the Supervisory Board member thus represented shall not be counted during the determination of whether a quorum is present at a meeting. The right to chair a meeting cannot be transferred.
- (7) Minutes shall be kept of the discussions and resolutions of the Supervisory Board and these shall be signed by the chairperson of the meeting.
- (8) Resolutions may also be passed in writing (by letter, telefax, e-mail or telephonically) without a meeting at the behest of the Chairperson, or should he or she be hindered by the Deputy Chairperson, ~~when the reasons are stated~~ and no member of the Supervisory Board raises an express objection to this procedure through a declaration to the Chairperson, or should he or she be hindered, to the Deputy Chairperson, within a period

of six working days following the receipt of the circular resolution. The conditions for validly adopting circular resolutions shall be laid down in the rules of procedure for the Supervisory Board. The stipulations contained in §11(5) shall apply to votes in writing. Proxies in accordance with §11(6) are not permitted in this case.

- (9) The Supervisory Board shall be permitted to agree on changes to the articles of association, which only relate to the version.

## **§ 12 Committees**

- (1) The Supervisory Board shall be entitled to appoint committees from its ranks. The Supervisory Board will define the duties and competences of these committees, which can determine their own rules of procedure. Decision-making powers may be transferred to these committees, unless mandatory regulations foresee the fulfillment of the related tasks by the Supervisory Board as a whole. The committees may be appointed permanently or for individual tasks.
- (2) Unless otherwise agreed by the Supervisory Board, the composition, convening, entitlement to participate, ability to form a quorum, the passing of resolutions and the keeping of minutes shall be correspondingly governed by the rules of procedure of the Supervisory Board, subject to the stipulation that a committee may also consist of only two members. If a committee only consists of two members, it is only quorate if both members are present.
- (3) The Supervisory Board shall form an audit committee in accordance with § 92 Para. 4a of the Austrian Stock Corporation Act.

## **§ 13 Remuneration**

- (1) The members of the Supervisory Board elected by the Annual General Meeting shall receive reasonable emoluments for their activities, the amount of which shall be established yearly by the Annual General Meeting. The Annual General Meeting may also decide on the payment of remuneration for a year in advance and determine the due dates. The members of the Supervisory Board shall have an entitlement to the repayment of their cash expenses ~~and a reasonable meeting attendance fee.~~
- (2) Following a resolution of the Annual General Meeting, members of the Supervisory Board undertaking a special assignment in the interests of the company may receive special remuneration for these activities.

- (3) Should the period in office of a member of the Supervisory Board begin or end during the financial year, pro rata remuneration will be paid.

### ~~C. ANNUAL GENERAL MEETING~~

- ~~(4) The Supervisory Board members shall be covered by Directors & Officers' insurance to an appropriate extent. The company shall pay the premiums.~~

#### ~~§ 14 Calling General meeting, calling of meetings, venue~~

- (1) The Management Board or the Supervisory Board shall call Annual General Meetings.
- (2) Meetings are to be called in accordance with § 3. At the latest, the invitation will be issued on the 28th day prior to an Ordinary Annual General Meeting, otherwise on the 21st day prior to an Annual General Meeting.

- ~~(3) General Meetings shall be held at the headquarters of the company, a branch office or at one of its domestic subsidiaries or in an Austrian federal state capital or at another place in Upper Austria that is not further than 100 kilometres away from the company headquarters.~~

- ~~(4) With the consent of the Supervisory Board, as part of the invitation to the Annual General Meeting, the Management Board is authorized to provide for the remote participation full or partial audio and if necessary also video transmission of shareholders in the Annual General Meeting in real time for shareholders not present (§ 102 Para. 34, Item 2 of the Austrian Stock Corporation Act) and/or remote voting (§ 102 Para. 3, Item 3 of the Austrian Stock Corporation Act) and in this manner their exercise Public transmission of individual or all rights. the Annual General Meeting may also be provided for (§ 102 para. 4, item 2 of the Austrian Stock Corporation Act). Should the Management Board make use of this empowerment, the details are to be included in the invitation.~~

- ~~(4) Annual General Meetings shall be held at the offices of the company or one of its domestic subsidiaries, or in one of Austria's regional capitals.~~

#### ~~§ 15 Participation~~

~~(1)~~ — **§ 15 Annual General Meeting, participation**

- (1) The entitlement to participate in the Annual General Meeting and to exercise shareholder voting rights, which are to be asserted in the course of the Annual General Meeting, shall be in accordance with the ownership of shares at the end of the respective tenth day prior to the date of the Annual General Meeting (record date).
- ~~(2)~~ (2) Shareholders who wish to take part in the Annual General Meeting and exercise their voting right must provide the company with evidence of their shareholding by the deadline.
- ~~(3)~~ A deposit confirmation pursuant to § 10a of the Austrian Stock Corporation Act shall be sufficient for proof of ownership on the record date. Unless otherwise stated in the invitation, at the latest this confirmation must be received by the company at the address given in the invitation on the third working day prior to the Annual General Meeting. The details for the submission of the deposit confirmations shall be provided with the meeting convocation. The convocation of the Annual General Meeting can provide for the transmission of deposit confirmations by fax or e-mail as a communication channel (the electronic format can be specified in more detail in the meeting convocation).
- ~~(34)~~ Shareholders may appoint one or more natural or legal ~~personage~~persons as a representative for participation in the Annual General Meeting and the exercise of shareholders' voting rights, which are to be asserted in the course of the Annual General Meeting. This proxy shall be allotted in written form and in accordance with § 3 (2) be submitted to the company, which shall retain or record it in verifiable form. Details concerning the allocation of such proxies will be made known in the invitation to the Annual General Meeting.
- ~~(4)~~ Separate registration for remote participation (14(3)) may be requested in the invitation, whereby an earlier date may be defined for the expiry of the registration period.
- (5) Members of the Management Board and the Supervisory Board shall be entitled to participate in the Annual General Meeting by means of a two-way, visual/acoustic link.

**§ 16 Voting rights at the Annual General Meeting and resolutions**

- (1) Each no-par share entitles the holder to one vote.

(2) Resolutions of the Annual General Meeting shall require a simple majority of the votes cast, unless a larger majority is mandatory. In cases where a capital majority is required, approval shall be attained by the simple majority of the share capital represented by the resolution- unless a greater capital majority is provided for by law.

~~(2)~~(3) ~~(3)~~ — If during elections a simple majority is not reached during the initial round of voting, a second round of voting shall be held between the two candidates with the most votes. In the case of a tie, a drawing of lots shall decide the result.

~~(4)~~ Every resolution of the Annual General Meeting shall be authenticated by a record of proceedings made by an Austrian notary in order for it to be valid.

#### **§ 17 Chairing of the Annual General Meeting, ~~transmissions~~**

(1) The Supervisory Board Chairperson shall preside over the Annual General Meeting and should he or she be hindered, the Deputy Chairperson will assume this task. If all of them- are absent, the appointed notary shall chair the meeting until a chairperson is elected.

(2) The chair of the Annual General Meeting shall preside over the proceedings and in particular shall determine both the sequence in which the items on the agenda are dealt with and that of the speakers, as well as the form and sequence of the voting on proposed resolutions and the vote counting procedure, unless mandatory law provides otherwise.

~~(3) — The Annual General Meeting may be broadcast in parts or in its entirety in sound and/or pictures and may be made available on the Internet.~~

~~(4)~~(3) The procedural language of the Annual General Meeting shall be German.

### **IV. ANNUAL FINANCIAL STATEMENTS AND APPROPRIATION OF PROFITS**

#### **§ 18 Financial year and the duration of the company**

(1) The financial year of the company shall correspond with the calendar year.

(2) The company has been established for an indefinite period.

#### **§ 19 Annual financial statements and management report**

- ~~(1) During the first five months of the financial year, the Management Board shall prepare the annual financial statements, the management report, the consolidated financial statements and the group management report for the preceding financial year, and following scrutiny by the auditors, submit these reports to the Supervisory Board together with the corporate governance report. Should the annual financial statements show a net profit for the year, the Management Board shall present the Supervisory Board with a proposal for its appropriation.~~
- (1) The Management Board shall present the documents in accordance with § 222 para. 1 of the Austrian Commercial Code, if necessary, a proposal on the appropriation of profit and any separate non-financial report to the Supervisory Board for the previous financial year within the first five months of the current financial year.
- (2) In accordance with Para. 1, the Supervisory Board shall examine the documents within two months of their receipt, make a statement to the Management Board about its position and issue a report to the Annual General Meeting.
- (3) Should the Supervisory Board endorse the annual financial statements, these are taken as adopted unless the Management Board and the Supervisory Board have decided in favor of approval by the Annual General Meeting.
- (4) Within the first eight months of the financial year, the Annual General Meeting shall decide on the appropriation of the net profit for the year, the discharge of the members of the Management and Supervisory Boards for the business year expired, the choice of the auditors and in legally foreseen cases, the approval of the annual financial statements. The Annual General Meeting is authorized to entirely or partially exclude the appropriation of the net profit for the year. The Management Board shall make the changes to the annual financial statements made necessary as a result.

## § 20 Appropriation of profits

- (1) Provided the Annual General Meeting adopts the resolution on the distribution of net profit, The net profit for the year shall be distributed ~~among the shareholders~~ in ratio to the investments in shares, ~~unless the Annual General Meeting should agree on a different use.~~
- (2) The profit shares of the shareholders shall be distributed in ratio to the pro rata contribution to share capital of the investments made in shares. Investments made in the course of the financial year shall be accounted for in ratio to the time that has expired

since they were made. Should new shares be issued during the financial year, a date shall be established from which an entitlement to a profit share shall exist.

- (3) Dividends shall be paid to shareholders within ~~30 (thirty)~~5 (five) bank working days following the Annual General Meeting, unless this has been otherwise determined by the Annual General Meeting.
- (4) Dividends that have not been collected by shareholders within a period of three years after becoming due shall be regarded as having lapsed and will be allotted to the uncommitted reserves of the company.

## **~~V. MISCELLANEOUS~~**

### **~~§ 21 Establishment expenses~~**

~~The company shall bear the expenses of the change of legal form up to an amount of EUR 8,000.~~